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SAC, Chicago

May 20, 1948

Director, FBI

LOUIS CALPACHA, was, et al
CRIMINAL; PAROLE MATTERS

It is desired that you make available to the U. S. Attorney at Chicago a copy of the report of SA Carrol T. Kevin, at Salt Lake City, dated May 12, 1948.

RECORDED - 26

EX-20 2000 - 1382
58-2000

CAE:VPM

COMMUNICATIONS SECTION
MAILED 10
☆ MAY 20 1948 P.M.
FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

3/1/95 5PSC/CH

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Gandy

JUN 16 1948

FEDERAL BUREAU OF INVESTIGATION

Form No. 1
THIS CASE ORIGINATED AT CHICAGO, ILLINOIS SU FILE NO. 58-34

REPORT MADE AT	DATE WHEN MADE	PERIOD FOR WHICH MADE	REPORT MADE BY
Salt Lake City, Utah	5/12/48	4/20,21,28,30; 5/1,4/48	CARROL T. NEVIN MEN

TITLE	CHARACTER OF CASE
LOUIS CAMPAGNA, was. et al	BRIBERY PAROLE MATTERS

SYNOPSIS OF FACTS:

ATTN: ASST. DIRECTOR A. ROSEN

No connections between ROSELLI and JAMES C. McKAY, Reno, Nevada, part owner of Bank Club, can be established. ROSELLI not known in Reno.

- RUC -

DATE 3/1/95 BY SP5CA/CW

Reference: Report of SA FREDERICK E. RODERICK, Los Angeles, 4/2/48. Bureau File 58-2000.

Details: AT RENO, NEVADA

~~DISCLOSED~~

Various members of the Reno Police Department and the Washoe County Sheriff's Office were questioned concerning Subject ROSELLI; however, no one contacted knew of ROSELLI or had heard of anyone by a similar name.

Detective GEORGE HARDING, Reno Police Department, who has a wide acquaintance with the criminal element in Reno, advised that he had never heard of ROSELLI in Reno. He was asked to make inquiries among his informants in Reno and he later advised he had been unable to develop any information on ROSELLI to indicate he had ever been in Reno or had connections in Reno.

Regarding information set out in referenced report concerning the possible connections between ROSELLI and JAMES C. McKAY, it appears that the only connection is that both men are very friendly with CORA SUE COLLINS but are probably not personally acquainted.

APPROVED AND FORWARDED: SPECIAL AGENT IN CHARGE

DO NOT WRITE IN THESE SPACES

62-2000-1382 RECORDED - 20

INDEXED - 26

EX-20

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21

U.S. GOVERNMENT PRINTING OFFICE 7—2034

CLAYTON D. PHILLIPS, former FBI Special Agent, now living in Reno, Nevada, informed that he had recently spoken with THOMAS HULL, mentioned in reference report, regarding business matters and HULL had not mentioned ROSELLI but had mentioned continuing his plans to erect a rancho type motel on property owned by McKAY adjacent to his home on South Virginia Street at the Reno City limits.

W. W. HOPPER, President of the First National Bank of Nevada, who was McKAY's advisor at the time he was released from Leavenworth Penitentiary on parole, informed he had no information regarding any connections between McKAY and anyone named ROSELLI.

One copy of this report is being directed to the Los Angeles Division in view of the fact that ROSELLI is presently living in Los Angeles.

REFERRED UPON COMPLETION TO OFFICE OF ORIGIN

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : MR. A. ROSEN

DATE: May 18, 1948

FROM : C. A. Evans

SUBJECT: LOUIS CAMPAGNA, was, et al
BRIBERY; PAROLE MATTERS

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/1/91 BY SP5 CA/AA

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Holmes
Miss Gandy

TECHNICAL SURVEILLANCES

By memorandum dated November 28, 1947, Mr. Peyton Ford of the Department requested that technical surveillances be installed on the five subjects of this case and the following individuals. Identifying data concerning these persons has been noted. Mr. Ford's letter merely identified them by name and address.

Joe Corngold, 5914 West Cermak Road, Cicero, Illinois, bookmaker and tavern owner;

Joe Fusco, 707 West Harrison Street, Chicago, Illinois, liquor company executive who has associated with subjects;

Jack Guzik, 7240 South Luella Avenue, Chicago, Illinois, reported successor to Al Capone as czar of gambling in Chicago;

Francis J. Curry, 516 Western Avenue, Joliet, Illinois, reported gambler and racketeer;

Anthony (Joe) Accardo, 1431 Ashland Avenue, River Forest, Illinois, Chicago hoodlum frequently described as a leader in the underworld;

Tony Ricci (Gobel), 125 Ocean Parkway, Brooklyn, New York, reputed New York racketeer;

Edward J. Parise, 662 - 39th Street, Brooklyn, New York, former Brooklyn, New York tavern owner and known associate of underworld characters;

Hope Farris, 101 Cooper Street, New York City, who is regarded as a "kept" woman and whose telephone was called by Francis Curry on October 11, 1947.

Adequate security could be obtained only for the operation of the following surveillances:

58-2000
CAE:gib
JUN 16 1948

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INDEXED - 53
EX-14
34 MAY 27 1948

MEMORANDUM TO MR. ROSEN

Subject	Symbol Number	Telephone	Date of Installation
Tony Ricci	NYT 466	Gedney 61179	12/5/47
Paul DeLucia	CGO 5680	Forest 2105	12/5/47
Louis Campagna	CGO 5681	Stanley 3417	12/5/47
Charles Gioe	CGO 5682	Superior 9736	12/9/47
Hope Farris	NYT 471	Lorraine 7-4505	12/24/47
Anthony Accardo	CGO 5683	Estebrook 7205	1/6/48
Joe Fusco	CGO 5684	Wabash 0727	1/8/48

Mr. Ford was specifically advised that because of a lack of security surveillances on the remaining individuals could not be instituted.

No information of apparent value has been received from the technical surveillances presently being operated in connection with this case. This was specifically called to the attention of Mr. Ford by the Bureau's memorandum of April 12, 1948. In reply to this memorandum Mr. Ford advised by memorandum dated April 19, 1948, as follows:

> "Pursuant to telephonic advice from United States Attorney Otto Kerner, Jr., Chicago, April 16, 1948, it has been deemed advisable to continue the technical surveillances, inasmuch as it is believed that they may possibly be productive in connection with Mr. Kerner's current plans."

In this connection on May 11, 1948, USA Kerner of Chicago advised our office there that the telephone conversations in this case are becoming "more interesting." Kerner did not elaborate upon this statement but expressed the opinion that the parolees were gradually letting their "guard down." Kerner expressed the opinion that he felt a good possibility exists that some "good information" will be forthcoming in the future from the telephone conversations of subjects. The Chicago Division has been asked to secure further information as to Kerner's statements regarding the technical surveillances.

The Attorney General in requesting a full investigation as to the current activities of Subject Roselli on March 15, 1948, indicated that technical surveillances should be utilized. Roselli did not maintain telephone service in his residence and security reasons prevent such a surveillance on his office telephone. However, the Los Angeles Division did institute a microphone surveillance covering Roselli's office on April 19, 1948. This surveillance has been substantially negative and since Roselli is to move his office within the near future, this microphone surveillance will become inoperative unless it can be renewed in Roselli's new office.

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : MR. ROSEN

DATE: May 20, 1948

FROM : C. A. Evans

SUBJECT: LOUIS CAMPAGNA, was, et al
BRIBERY; PAROLE MATTERS

Mr. Tolson
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The technical surveillance presently being maintained on Tony Ricci, reputed Brooklyn New York racketeer, has disclosed information indicating that highly placed police officials in Brooklyn contemplate resigning. This information was developed in a conversation between Ricci and Tony Coppola, a municipal employee in Brooklyn and a contact of Ricca. The conversation appeared to deal with efforts being made by Coppola in behalf of Ricci in having a matter handled by the police. The matter was not identified, and Coppola spoke of the building and transportation matters. During the course of this conversation it was indicated that an apparently corrupt police inspector could be of assistance. Coppola mentioned that he had spoken to Joe about this, and the New York Division has advised that this reference may possibly be to Joseph Sharkey, a political leader in Brooklyn. It was indicated by the New York Division that recently raids have been conducted by squads from the Police Commissioner's Office on various bookie joints in Brooklyn. These raids have been conducted in the territories assigned to Deputy Chief Inspector Paul Byrne and Inspector William "Broadway" Jones. These two police officials will reportedly resign in the near future. The New York Division has also heard a rumor that Assistant Chief Inspector John J. Martin will soon resign. It is noted that in the conversation between Coppola and Ricci, Coppola stated that the unidentified police inspector who was to be of possible assistance to them is to get the job of Chief Inspector of Police in Brooklyn.

ACTION

A letter to the Department forwarding copies of the memoranda incorporating the results of the technical surveillances is attached.

Attachment

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58-2000

EX-122

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STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI
ATTENTION: MR. A. ROSEN

DATE: May 13, 1948

FROM : SAC, Chicago

SUBJECT: LOUIS CAMPAGNA, was; etal
BRIBERY; PAROLE MATTERS

For the information of the Bureau there is transmitted herewith a clipping of an article from the Chicago Tribune of May 13, 1948, written by James Doherty, which relates to the captioned matter.

MG
Enc.

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/1/95 BY SP5 CAR

RECORDED - 25
INDEXED - 25

2000-1385

37 JUN 1 1948

Photostatic copy of clipping
5-25-48

Memo Rosen to A.D.
5-25-48
ace

The Attorney General

May 25, 1940

Director, FBI

LOUIS CALICCHIA, was., et al
EXTORTION; RACKETEERING

RECORDED - 25

I am attaching for your information photostatic copies of newspaper clippings published at Chicago concerning this case.

Attachments

CAE:LJP
58-2000

31 MAY 25 SP5 Cy/cm 9
G. I. R.

Tolson
E. A. Tamm
Clegg
Glavin
Ladd
Nichols
Rosen
Tracy
Egan
Gurnea
Harbo
Mohr
Pennington
Quinn Tamm
Coom
Pease
Sandy

2 JUN 9

SENT FROM D. O.
TIME 3:00 P.M.
DATE 5-27-40
BY

RECEIVED
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DEPT. OF JUSTICE
MAY 26 1940 1:23 PM

Parole Scandal Reveals

Capone Gang's Crime E

MOB SPREADS INFLUENCE TO HIGH PLACES

Here Is Complete Review of Case

BY JAMES DOHERTY

This is the almost incredible story of an invisible government in the United States, which draws its sinews from underworld gutters, yet finds familiar footing in high places, including the White House.

It is a story which has its roots in the blood and greed of the Capone era and which spreads its corruption laden branches from Pennsylvania av. to Dallas, Tex., and beyond.

It will tell how Capone gangsters muscled their way into control of unions and extorted millions of dollars from union members and the movie industry, immune to the ordinary processes of law until two members of the gang were tripped up and squealed.

Mystery And Miracles

It will explain how, after four members of the gang were sentenced to prison for 10 years, mysterious forces began to move to accomplish miracles. It will tell how the four men, among the most notorious criminals in the nation, whose records were known even to school boys, walked out of prison as free men on almost the first day they became eligible for parole, altho their own attorneys, in pleading for light sentences at the time of their trial, had told the court that their clients, because of their records, had less than one chance in a thousand of ever being paroled.

It will tell how the four criminals obtained transfer from one prison to another with amazing and mysterious ease; how they were visited in prison by deputies still in control

Rep. Hoffman (left), and Rep. Busbey.

of the Capone gang's gambling and other activities, and how, from their prison cells, they continued to direct these activities and even exerted a strong influence--in some political subdivisions a decisive influence--in Chicago elections.

It will tell how other pending charges against the four criminals, which would automatically have barred their parole, vanished into thin air at the behest of the justice department, thru the contrivings of a Dallas, Tex., lawyer, a close friend of the attorney general and counsel for other gangsters, whose name did not ever appear of record in the proceedings.

Paroles Made Easy

It will tell how prison transfers and their final paroles were arranged and expedited beyond all common practice in such matters, by a St. Louis attorney for gangsters who visits President Truman in the White House and calls him "Harry."

It will tell how hundreds of thousands of dollars in income tax liens against the four gangsters were cut to less than 20 per cent of the original figure, and then settled by means of bundles of money dropped on the desk of a Chicago lawyer who was steeped in the politics of Jake Arvey's 24th ward and who was twice indicted for vote frauds. (The indictments were later quashed on technicalities). The lawyer, Eugene Bernstein, told the congressional committee members the money came from men he didn't know, never saw

(Continued in Part 2, Page 6)

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/1/95 BY SP5 AKW

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CHICAGO DAILY TRIBUNE

May 13, 1948

MOB SPREADS ITS INFLUENCE TO HIGH PLACES

Works Miracles Thru Invisible Rule

(Continued from Page 1)

before, and who took no receipts for their contributions.

It will disclose how, shortly before these mysterious bundles of money began to rain on the attorney's desk, slot machines, long dormant in Cook county, began to run full blast--with or without the approval of the owners of the places in which they were installed.

Political Ties Noted

It will tell how, at the height of a county election campaign shortly before the paroles, the Republican leaders in several Chicago wards, predominantly Italian, suddenly went to sleep; and how, on election day, these wards returned Democratic majorities never equaled before or since, a source of great gratification to administration figures in Washington who subsequently refused to co-operate in an investigation of the granting of the paroles.

In telling these things, it will adhere rigidly to facts backed by court records and sworn testimony in congressional hearings, concerning whose accuracy there can be no vestige of doubt.

The beginning of the story goes back to the days of the depression, when the Capone syndicate, its profits from bootlegging drying up, began to cast about for other sources of revenue. Scarface Al Capone, boss and founder of the gang, had gone to prison in 1931 as a million dollar income tax cheat. Frank (The Enforcer) Nitti came out of prison and was the new chief.

Resort To Kidnapings

For a time, the bootleggers, who also were vice mongers and operators of gambling joints, resorted to kidnaping to keep up the flow of wealth to their pockets.

They became known as "the gob," or "the syndicate." They kidnaped a few union leaders, and, finding that large ransoms for such gentry were an "easy touch," they concluded the unionists were vulnerable, the congressmen learned. A new field was opened for the Capone gob.

James Caesar Petrillo, czar of all union musicians, was kidnaped in 1933 and $50,000 ransom was paid, after which six Chicago policemen were assigned exclusively to him as bodyguards for seven or eight years.

Robert Fitchie, president of the milk wagon drivers' union, was kidnaped in 1931 and his union paid $50,000 ransom for him. Steve Summer, business agent of the union, said the money was picked up by Murray (The Camel) Humphries, one of the top men in the Capone gang, and Frank Diamond, who was convicted with the other four gangsters with whom this story deals, but who was not paroled with them, according to records.

Union Exploitation Starts

Exploitation of unions seemed safe and sure. The foray against the Hollywood magnates had its birth when George Browne, head of the Chicago stage hands' union, and Willie Bioff, an ex-pander who had evaded a Cook county jail sentence, met on Chicago's west side early in the days of the depression.

Bioff had organized several Jewish butchers into a "protective" association. Bioff furnished protection for a price, he admitted. Browne, in need of financial help himself, had taken over a chicken killers' union. They decided to team up.

Extortion of food from merchants enabled them to start a soup kitchen for unemployed stage hands. They also exacted cash donations. Gradually they grew bolder. Browne had a club over the heads of motion picture theater owners, some of whom employed stage hands. Some had let their stage hands go when vaudeville waned.

Balaban Shaken Down

Barney Balaban of Balaban and Katz, owners of a movie chain, was approached for a donation to the soup kitchen. Under pressure, he agreed to contribute $7,500. The shake-down team demanded $50,000; then agreed to take $20,000.

They got the $20,000, too, after they had shown their strength. An era of extortion for them and their associates had begun.

The $20,000 put Browne and Bioff into the big league. They were able to meet and do business with the top men of the Capone gang. They attended a party in a Rush st. night club operated for the gang by Nick Circella, also known as Nick Dean. Nick saw Browne and Bioff buying champagne with $100 bills and questioned them about the source of their wealth. When the pair told their success story, Circella was convinced they had a fine new racket. He ordered them to accompany him to a house in Riverside where they faced Nitti, the top gangster, and Frank Rio, who had been Capone's constant companion.

Attorneys

Maury Hughes (left), Atty. Gen. Clark (center), and Paul Dillon.

Nitti Cuts Himself In

Bioff and Browne told how they had shaken down the big movie firm of Balaban and Katz.

Nitti listened. Then, quietly, he said:

"From now on, we are in for 50 per cent of your take."

Nitti studied the operations of Browne and Bioff. The more he did so, the more he admired them. He got an idea. He would make Browne president of the International Alliance of Theater and Stage Employes.

Nitti called a meeting at the home of Harry Hochstein who started his public career as a morals inspector in Chicago, and after a zig-zag political history became chauffeur for Capone hoodlums. Hochstein had a house in Riverside. Later he was indicted for perjury for denying, under oath, that the meeting was held there.

Plan To Run Convention

Present at this meeting, in addition to Nitti, were Rio, Louis Buchalter (since executed in New York), Paul (The Waiter) Ricca, Louis (Little New York) Campagna, one of the Fischetti brothers, who were cousins of Capone, and a few minor characters in the Nitti gang.

"We have connections that can handle the delegates to the stage hands' convention in Louisville," Nitti explained. The convention was in 1934.

"Frank Costello and Lucky (Charles Luciano, since deported) will take care of the New York delegation."

Buchalter, also known as Lepke, said that he, personally, would vouch for the delivery of the New York votes at the convention.

"Longey (Abner) Zwillman will deliver the New Jersey votes," Nitti continued. "Johnnie Dougherty (now sheriff in St. Louis) will handle St. Louis."

Kansas City Connections

Testimony at the subsequent trial of the gangsters disclosed that Nitti had two other stalwarts in Kansas City who were to deliver Missouri and Kansas union delegates to Browne. They were Tony Guzzio (who testified before a federal grand jury here recently that he is still the agent for the gang's Chicago brewery) and Charlie Corrallo.

"They are the Lucky Lucianos of Kansas City," Bioff explained, meaning that they controled vice, gambling, bootlegging, and racketeering privileges.

The Chicago delegation to the IATSE convention in Louisville in 1934 included Tony Accardo, recently indicted because of illegal visits to his chief, Ricca, in federal prison; Louis Romano, who was muscled into control of the Chicago bartenders' union, and "Hindu" Imburgio, whose brother, Joseph Imburgio Bulger, an attorney, figured in the trial of the four gangsters and the present investigation into their paroles.

Controled Unionists

"We made Jerry Horan and Mike Carozzo heads of their unions and we can do it for you," Nitti told Browne. Horan was national head of the building service employes' union. Carozzo controled many thousands of street and building laborers, mostly Italians.

It is of sordid record that the IATSE convention elected Browne as international president, and the record was supplied to the congressmen.

Browne obeyed Nitti and immediately named Bioff as Browne's "personal representative," with full power to act --call strikes, and settle them. Nick Circella was named Chicago representative.

One of Nitti's first orders to Browne was "never meet an exhibitor or producer or discuss business with any one except when Nick Circella is present." That applied to Chicago. Bioff would act for the mob elsewhere.

"Organize And Collect"

"Get organized and collect some dough," Nitti told Bioff.

Tommy Maloy, head of local No. 10 of the motion picture operators' union in Chicago, was killed by a shotgun blast on Chicago's outer drive on Feb. 4, 1935. Nitti ordered Circella to take over Maloy's union. The motion picture operators' local, like Browne's stage hands' local no. 2, was a part of the IATSE of which Browne was president.

Circella started a drive to force the motion picture theater owners to put "two men in a booth," meaning to force them to hire two operators where they needed only one. The Chicago theater owners paid $100,000 to stop that maneuver. Balaban and Katz paid $60,000 of it.

The late William Pacelli, former 20th ward alderman, who was "handling the affairs of the boys," was put on the pay roll of an organization representing the smaller theater owners.

Levy On Theater Men

Jack Barger of the Rialto theater, who had to pay the syndicate 50 per cent of his profits for the privilege of doing business in the 1st ward, under Capone-Ricca-Guzik domination, was compelled to put Frank Maritote, alias Diamond, brother-in-law of Capone, on the theater pay roll for $200 a week, and keep him there five years.

Phil D'Andrea, who had operated a bawdy house on the west side with Jack Zuta, was put on the Balaban and Katz pay roll for $175 to $200 a week, and kept on the pay roll for at least five years. His brother and sister also were put on theater pay rolls.

Chicago exhibitors were paying the Nitti gang. The extortion plan was working.

Meanwhile, Bioff was shaking down Hollywood. He started out by getting $100,000 from Joe Schenck in some kind of a "funny deal." Bioff called a few strikes to show his power, and the money rolled in.

"We told Nick Schenck to get $2,000,000 for us," Bioff explained later to a jury.

Nitti Boosts His Take

In the beginning, Browne and Bioff split 50-50 with Nitti, Ricca, and Campagna; but in 1935, Nitti demanded two-thirds of the loot, and Bioff told Browne it would have to be that way because they couldn't operate without the nation-wide power of the Nitti mafia organization behind them.

Louis Greenberg, Nitti's financial adviser, who recently testified before a congressional committee in Washington, sent a man named Frank Korte to be vice president of the union.

Izzy Zevin, a brother-in-law of Greenberg, was sent to the union to take charge of a levy of 2 per cent on the wages of the 46,000 members of the international.

It was this action--robbing the workers--that later brought about a so-called mail fraud indictment against the gangsters. It was this second indictment which Atty. Gen. Tom Clark dismissed prior to their parole.

The Money Rolls In

With money rolling in from both sides of the racket--from the union members and from their employers--the gangsters began buying farms and estates. Bioff had a $330,000 home in Hollywood. Ricca bought a plantation in the south and a farm in Illinois. Campagna bought farms in Indiana and Michigan.

In Chicago, Nitti, pleased with his new technique, was taking over other unions. There was a mention in the record of his plan to make George McLane, boss of the Chicago bartenders' union, head of the International Union of Bartenders, Waiters and Miscellaneous Hotel and Restaurant Employes. McLane, however, was eventually thrown to the wolves, and Louis Romano, one of the "delegates" who helped elect Browne, was put in charge of the local union by Nitti.

Nitti had plans for an extortion empire. He was organizing with these purposes in view:

1. To control the country's drinking.
2. To control the country's entertainment.
3. To control the country's gambling.

Roles Told

Tony Accardo (left), Joseph Imburgio (center), and Ralph Pierce.

Rope In Performers

Nitti ordered Bioff to "take charge" of the American Guild of Variety Artists, called Agva for short, and it was planned to make Charles (Cherry Nose) Gioe, one of the now

Frank Nitti (left), Paul Ricca (center), and Charles Gioe.

notorious four parolees, its boss. All important night club and vaudeville performers in the country had to belong to Agva.

An expose of his unsavory past in 1939 resulted in Bioff being extradited from California to Chicago to serve a six month jail sentence for pandering. Bioff went to the Bridewell on April 15, 1940.

While there, Bioff demanded that the Nitti gang use its political power to get him out. Gioe, whose later conviction was due mainly to Bioff's testimony, was sent to the jail to tell Bioff that the $25,000 fee the gang wanted to pay James Slattery, then United States senator, to seek a pardon for Bioff, had been spurned. State's Attorney Courtney said the mob then offered $50,000 for a pardon for Bioff.

In Washington, Jacob M. Arvey, Cook county Democratic boss, testified that Bioff sought to retain Arvey as his attorney. Arvey said he refused to act for Bioff.

Bioff Gets Revenge

In jail, Bioff had demanded and obtained every possible privilege, but was demanding more. Gioe was sent to tell Bioff to behave himself. Gioe later told associates he found it necessary on that occasion to hit Bioff, and to call him a pander. Bioff got revenge later by his testimony in the extortion case against Gioe and the other gangsters.

Out in California, Bioff's activities were coming into the spotlight. He was indicted on an income tax fraud charge. His deals with the movie magnates, which caused many false bookkeeping entries, resulted in the indictment of Joe Schenck, chairman of the board of Twentieth Century Fox. Eventually Schenck was convicted and sentenced to three years in prison, partly as the result, Bioff admitted later, of Bioff's perjured testimony.

On his own income tax case in California, Bioff obtained a delay by representing that his services were necessary to the motion picture industry's war effort. He had resigned from the IATSE when his pandering past was flashed on the screens of the world, but after getting out of jail, he was welcomed back into the union at one of its conventions.

Indicted For Extortion

The government had learned how much money Bioff and Browne had taken out of the industry. In 1941, they were indicted in New York. The charges were that they had used their union positions to extort $550,000 from four of the country's leading motion picture companies--Twentieth Century Fox, Loew's, Inc., Paramount Pictures, and Warner Brothers.

The indictments were voted in New York because Browne maintained his principal office there. Circella, of course, represented him in Chicago and Bioff represented him in Hollywood. Circella was indicted at the same time and eventually pleaded guilty. John R. (Big) Nick of St. Louis, who was Browne's first vice president of the union, also was indicted and convicted.

On Nov. 12, 1941, Bioff was sentenced to 20 years with a stipulation by Judge John Knox that it would be 10 years if he paid a $20,000 fine. Browne's sentence was for eight years. Judge Knox retained jurisdiction, however, at the request of Prosecutor Boris Kostelanetz, who was investigating the connection of the Capone gang, under Nitti, Ricca, and Campagna, with the extortion scheme.

Browne And Bioff Squeal

Kostelanetz believed someone might be willing to trade testimony for time. He was right. Browne and Bioff were willing, after they had spent a year in prison. They squealed on their gangster mentors.

As a result, nine gangsters were indicted, including Nitti and six others from Chicago, charged with extorting more than $1,000,000 from movie producers, and with stealing another $1,000,000 or more from union members.

The other Chicagoans indicted were Louis Campagna, Paul Ricca, Frank Maritote, Philip D'Andrea, Ralph Pierce, and Charles Gioe.

The first indictment said the $1,000,000 from the movie industry was exacted for "protection," that is, to prevent and dissuade the defendants and their confederates from injuring or attempting to injure the business of the victims, by the use or misuse of the power which the defendants had over labor unions.

Nitti Commits Suicide

Circella, who pleaded guilty, later was denied a parole. He did not testify against Ricca and the others before the grand jury which indicted them, altho he was listed as a possible prosecution witness in the trial.

On the day the indictment was returned, March 19, 1943, Nitti committed suicide in North Riverside, less than a mile from his home. It was reported he feared he would be convicted. He knew his financial manager, Louis Greenberg, had testified against him before the New York grand jury, and that Browne and Bioff had squealed, and that there was a possibility that Circella might be a witness against him.

The others were taken to New York for a trial which began Oct. 6, 1943, before Judge John Bright of the United States District court. Bioff, the first witness, told of a time when, he said, he wanted to get out of the business of extorting money from business men. He said he told Nitti, Ricca, and Campagna he was going to resign.

Resignation Meant Death

"Anybody who resigns from us resigns feet first," he quoted Campagna as telling him.

The gangsters didnot testify in their own defense. The government had traced payments of $1,800,000 in cash to the extortioners, and on the basis of the testimony relative to a split of two-thirds for the Nitti mob, and one-third to be divided by Browne and Bioff, the government alleged that $1,200,000 was turned over to the Chicago syndicate.

On Dec. 22, 1943, a jury of nine women and three men found seven defendants guilty. Ralph Pierce, one of the indicted Chicago gangsters, had been freed by a directed verdict. Those convicted were Ricca, Campagna, Gioe, D'Andrea, Maritote, and the lesser lights. These were John Roselli of Hollywood, former west coast organizer and agent for the gang, and Louis Kaufman of Newark, N.J., former business agent for the IATSE local in Newark. All were permitted to remain at liberty on bail until Dec. 30, 1943.

Seek Light Sentences

On that day, Judge Bright gave consideration to pleas for light sentences.

"There is no hope for parole for these men, so please consider that in fixing sentence," James Murray, defense attorney, told the court.

A. Bradley Eben, another defense attorney, said: "There isn't one chance in 1,000 that a parole board would ever give these men consideration because of their past records."

"I agreed with that statement--that there seemed to be not one chance in a thousand, that the men ever would be paroled," Prosecutor Kostelanetz recently testified before a congressional committee investigating the paroles.

Judge Bright decided that six of the men should serve the maximum terms, 10 years, and pay fines of $10,000. The seventh defendant, Kaufman, received a sentence of seven years.

Get Prison Transfer

"The evidence showed the guilt of these men was practically without dispute," said Judge Bright. "Except for Kaufman, not one of them was a member of the union, or had any right to interfere with the activities of the union."

On April 4, 1944, they were received in the federal penitentiary in Atlanta, Ga., having been held until then in detention cells in New York City.

But they didn't stay there. Even before they entered prison, wheels began turning in an effort to get them out.

The first evidence of this came when the gangsters were transferred from the penitentiary at Atlanta to the penitentiary at Leavenworth, Kas., "so they would be nearer home." This was done at the request of Paul Dillon, a St. Louis attorney and former campaign manager for President Truman.

Dillon explained later that he acted at the request of the late Edward (Putty Nose) Brady, former Missouri legislator and saloon owner.

Brady's Help Sought

Dillon said Brady, in turn, had been requested to enlist his aid in behalf of the imprisoned gangsters by the wife of Louis Campagna, with whom Brady had long been acquainted.

By coincidence, Dillon had been attorney for Nick, vice president of Browne and Bioff's IATSE, when Nick was indicted for extorting $10,000 from movie theater owners.

In any event, as soon as Dillon asked for the transfer of the four convicts, they were transferred, altho a memorandum signed by the Atlanta prison warden, which later was placed in the files of a congressional investigating committee, said "it is evident money was paid for the transfer."

As time went on, THE TRIBUNE, which daily sifts hundreds of reports and rumors, began to hear of strange goings-on in five wards where the voters are predominantly Italian. A county election was approaching. Republican leaders in these five wards were influenced, thru Italian organizations and otherwise, by the leaders of the Capone syndicate. The reports, as repeated, were that the Republican leaders had been ordered to deliver all the votes they could to the Democrats, "to help out the boys."

Slot Machines Pop Out

About the same time, slot machines began to appear in the country towns, which were in the jurisdiction of Michael Mulcahey, Democratic sheriff. Tavern owners told Tribune reporters that they got the machines whether they wanted them or not.

The wheels were turning. In order to get out of prison, Ricca and his fellow convicts knew they had to clear two hurdles. One was the settlement of the government's claim against them for unpaid income taxes running into hundreds of thousands of dollars. The other was to obtain the dismissal of the indictment still pending, which charged the gangsters with extorting a million dollars or more from members of the IATSE.

In connection with his income tax problems, two men called on Paul Ricca at Leavenworth penitentiary. One was Atty. Bernstein, a political figure in Arvey's 24th ward. The other man signed the prison register as Joseph Imburgio Bulger, a Chicago attorney. But he wasn't Bulger. He was Tony Accardo, or Joe Batters, who was running the syndicate's affairs while the syndicate heads were in prison. Both Bernstein and Accardo were subsequently indicted by a Chicago federal grand jury.

Bank Notes Rain Down

It was after this visit, Atty. Bernstein subsequently told a congressional investigating committee, that fat bundles of bank notes began to rain on his desk, dropped there by men who said, "This is for Paul."

Bernstein told the committee he didn't ask questions. By means of a deal with the internal revenue bureau, tax claims against the four gangsters totaling $670,000 were settled for $128,000. The bundles of money so mysteri-

Two in Shakedown

Frank Diamond (left), Willie Bioff (center), and George Browne.

ously dropped on Bernstein's desk were applied toward the payment of this tax settlement, Bernstein said.

The wheels were still turning. But there remained the mail fraud indictment, which, if it continued to stand, would serve as an automatic bar to the parole of the four gangsters at the end of three years and four months, representing one-third of their sentences, which they had to serve before becoming eligible for parole.

Calls On Tom Clark

One day a lawyer named Maury Hughes from Dallas, Tex., dropped in for a chat with a couple of assistants to his great and good friend, Atty. Gen. Tom Clark, another Texan. Hughes is a former Texas Democratic state chairman. He was on the Texas delegation which supported President Truman for the Vice Presidential nomination in the convention which nominated the late President Roosevelt for a fourth term.

Hughes, altho he has no office in Chicago, also has represented another member of the Capone syndicate--Mike (The Greek) Potson, former owner of Colosimo's restaurant, recently convicted here of income tax evasion.

After Hughes had his chat with the attorney general's assistants, a special assistant to Clark appeared in federal District court in New York and asked for the dismissal of the mail fraud indictment against the four gangsters. The court asked several sharp questions, but there was no getting around the fact that the justice department wanted the indictment dismissed. The court ordered it dismissed.

Admits $15,000 Fee

Maury Hughes did not appear as an attorney of record. Nevertheless, he testified later before a congressional committee that for his chat with three of Mr. Clark's assistants he received a fee of $15,000, paid to him he said, by a mysterious "Mike Ryan," who looked, Hughes, recalled, like an Italian. He said he never has seen Mike Ryan again and wouldn't know where to find him.

The Chicago election was out of the way by this time, and the five Italian wards had cast unprecedentedly large Democratic votes.

Chairman Arvey of the county Democratic organization admitted to the investigating committee that the Republican leaders in the five wards did help the Democrats that time, but he denied there was any deal.

"It is true that the five Italian Republican ward leaders sat the election out, but they did so because they were sore at Gov. Green for a slight to some of their legislators," Arvey told the committee. "It is true the Democrats got more votes in those wards at that election than ever before or since."

Arvey Rather Evasive

On the subject of slot machines, Arvey said he had no information. He admitted, however, that he had heard about the indictment of several persons for operating slot machines at or about the time the taxes for the imprisoned gangsters were squared, and at or about the time the five Italian Republican ward leaders "delivered" Democratic votes.

"If Scotty Krier, Democratic committeeman out in the Skokie district, said he got an O.K. from downtown to allow slot machines to run, to whom did the term 'downtown' refer?" Arvey was asked.

"Maybe he meant THE TRIBUNE," Arvey replied. "It is downtown. I don't know. You'd have to ask him who he meant."

Rep. Busbey (R., Ill.) a member of the committee, said the Arvey testimony was important in view of the story that Chicago Republicans in certain wards were herded into polling places to vote Democratic "so four guys can get out on parole."

Vote Frauds Charged

Arvey at first disowned Bernstein as a member of his 24th ward Democratic club, but later admitted he had been mistaken. Arvey testified that Bernstein had not been a 24th-ward Democratic club member since 1931. It was shown that Bernstein was twice indicted on vote fraud charges in 1939 because of his activities as a precinct captain in the Arvey organization.

The wheels are still turning, and they have nearly completed their revolution. On Aug. 6, 1947, Atty. Dillon dropped in to see his old friend, T. Webber Wilson, chairman of the federal parole board, in Washington.

Seven days later, almost on the very day they became eligible for parole, the four gangsters walked out of prison.

Some of the circumstances of their release were extraordinary, to say the least.

Red Tape Quickly Cut

For one thing, the day before the gangsters were released, the parole office in Chicago received a telephone call from the prison at Leavenworth requesting that certain matters of red tape, such as interviewing sponsors for the parolees, be expedited. They were—and how! Within a matter of hours, investigations which ordinarily require days, or even weeks, were announced as completed, and the result was transmitted to Leavenworth, clearing the way for the gangsters' release on schedule.

On Aug. 13, 1947, the prison doors swung open for them. The next day they were in Chicago. A storm of protest followed. Police Commissioner Prendergast said the gangsters should have been barred from Chicago forever. The Chicago crime commission said the paroles were an outrage and a national disgrace.

THE TRIBUNE, digging into the then undisclosed circumstances surrounding the paroles, encountered a singular wall of official reticence.

It was learned that Chairman Wilson of the parole board had resigned, effective Aug. 31, and had gone to his home in Coldwater, Miss., where he subsequently died.

"Paid Debt To Society"

The two other members of the board, Fred S. Rogers and B. K. Monkiewicz, said they had never heard of the Capone gang, and were of the opinion that these middle aged criminals could be rehabilitated and they wanted to give them another chance.

The fact that Campagna had served a previous term for robbery was shrugged off. "He paid his debt to society," said Rogers, a former member of the Texas state parole board.

The fact that D'Andrea had been arrested during the trial of Al Capone in the courtroom of Judge James Wilkerson in Chicago in 1931, with a loaded pistol in his pocket, was mentioned. It made little impression.

At his Mississippi home, Chairman Wilson said he was familiar with conditions in Chicago. He had made political speeches here, he said.

Story Called Childish

Wilson said he knew something about the Capone gang but didn't believe all he read. It was his opinion, he said, that Browne and Bioff, who had been released by court order after serving three years, in return for their testimony in the extortion trial, were the real offenders.

Rep. Busbey characterized Wilson's explanations as childish.

"There are nasty rumors in Chicago that somebody got a lot of money to let these desperate gangsters out of prison," Busbey wired J. Edgar Hoover, director of the federal bureau of investigation.

Rep. Busbey subsequently pointed out the sharp contrast between the ease and precision with which paroles fell into the laps of the four Capone hoodlums, at the earliest moment it was possible for them to be released, and the parole experience of William R. (Big Bill) Johnson, former Chicago gambler, now serving a five year term in the federal prison at Terre Haute, Ind., for income tax evasion.

Raps Easy Settlement

"Johnson's only crime was income tax evasion," Busbey commented. "He was convicted Oct. 12, 1940, and became eligible for parole in November last year, after completing 20 months of his sentence. Johnson also applied for a parole, but apparently he neglected to retain Paul Dillon or Maury Hughes as counsel. On April 1 of this year the parole board denied Johnson's application.

"The four gangsters who were sentenced for the much graver offense of extortion, also were

Eugene Bernstein (left), Louis Campagna (center), and Nick Circella.

guilty of income tax evasion. Yet, as a prelude to their paroles, they were permitted to settle the government's income-tax claims against them at less than 20-cents-on-the-dollar, despite the fact that they are wealthy men, and have property on which the government could have levied.

"Paul Ricca, who testified before the committee that he had an income of from $50,000 to $100,000 a year, owns a 1,100 acre farm in Kendall county. Campagna owns a 750 acre farm in Indiana; and rents 150 acres in partnership with another man."

Washington Reticent

In New York, Judge Bright said he had opposed the Ricca gang paroles, and so had Prosecutor Kostelanetz. But in Washington, there was no disposition on the part of any official to make public the facts concerning the release of the gangsters.

Board members Monkiewicz and Rogers suggested that possibly Judge Bright had forgotten a letter he wrote them. They intimated the judge had consented to the release. Judge Bright's letter was obtained. Its conclusion was:

The activities of these defendants not only were directed against the motion picture industry but also against the unions and union members. I know of no better way to suppress this kind of activity than by severe punishment."

The house anti-racketeering subcommittee, headed by Rep. Claire Hoffman (R., Mich.), opened hearings into the granting of the paroles, in Chicago, on Sept. 25, 1947.

Truman Friend "Explains"

Without being summoned, Atty. Dillon stormed before the committee and asked to be heard.

"Yes, I managed two of President Truman's senatorial campaigns in St. Louis," said Dillon, "but that had nothing to do with the fact that I appeared for these four men before the parole board last August. I did that as a favor to Mrs. Campagna, who was the friend of my friend, Edward Brady, member of the Missouri legislature. I didn't get paid, either.

After that hearing, Dillon sent a bill for $10,000 to Campagna, and it was paid, he testified in a later appearance before the committee in Washington.

"What about your activities in behalf of these Chicago convicts in getting them transferred from Atlanta to Leavenworth?" asked Chairman Hoffman.

Busbey Blames Clark

"I didn't get paid for that, either," replied Dillon.

Rep. Busbey said he pinned on Atty. Gen. Clark the personal responsibility for dismissal of the mail fraud indictment against the gangsters.

Clark, when he appeared before the committee, assumed responsibility for refusing the committee's request for a report prepared by the FBI after its agents questioned more than 200 persons about the paroles granted the Capone hoodlums.

Clark had directed the FBI to conduct an investigation after the congressional inquiry was launched, but suppressed its report. He told the committee that he found in the report no evidence of corruption. One of the strange things about the FBI investigation was that FBI agents questioned Maury Hughes, whose connection with the paroles had not been disclosed at that time, about a conversation Hughes said he had overheard in a night club about a conference of Republican leaders in Berrien Springs, Mich., for the purpose of plotting a "smear" in connection with the granting of the paroles.

Figures in Expose

Philip D'Andrea (left), Murray Humphreys (center), and Louis Greenberg.

Two Clark Appointees

"In the beginning, Clark told us he had no power over the parole board," Busbey said in a statement. "He said it was an autonomous body, which could and did act without consulting or answering to him. But it was established that no one on the parole board would talk to the press without special permission from the attorney general.

"Then it was shown that Clark had actually appointed two of the three parole board members who freed the Ricca gang, and that he does have the power to fire them without rhyme or reason. It was shown that he appointed his neighbor from Texas, Fred Rogers, in January, 1947, and Monkiewicz in June, 1947, when the parole applications of the Chicagoans were coming up for consideration.

"It was shown that Clark knew about the other New York indictment that would have been a bar to parole. It was shown that Clark was head of the criminal division of the department of justice back in 1943 when the case was prosecuted, which gave him the duty of supervising the prosecution.

Offices In Same Building

"Maury Hughes testified he has known Clark since Clark was 10 years old, and that he and Clark have offices in the same building in Dallas.

"Hughes said he didn't consult his old friend, Clark, about having the mail fraud indictment dismissed. He consulted three of Clark's most confidential aids.

"Hughes said he talked with James McGranery, who had the title of the assistant attorney general; with Douglas McGregor, who succeeded McGranery in that position, and with Peyton Ford, who now holds that job. McGranery was appointed a federal judge in Philadelphia some time after he talked with Hughes. McGregor resigned last October after the congressional investigations started, and returned to his Texas law practice.

Not On Court Record

"The name of Hughes does not appear on any court record in connection with the dismissal of the indictment which charged the gangsters with stealing 2 per cent of the wages of the 46,000 union members. The dismissal was obtained before a different judge than the one who heard the other case, and apparently it was done on motion of the government, not of any defense counsel.

"Hughes said he was told by the man who hired him that Ricca wanted the mail fraud indictment out of the way so he could get a parole. When that action was accomplished, on May 6, 1947, the way was cleared for the parole Hughes acknowledges receipt of a fee of $15,000."

Attorney General Clark told the committee that the dismissal of the mail fraud indictment was routine, and that it had been recommended by Kostelanetz.

Kostelanetz called before the committee, testified that he had only recommended that the mail fraud indictment be kept alive for "at least two years after the date of the denial of an appeal of the men for a new trial."

"Highly Significant"

Theodore Rein, an attorney who appeared before the congressional committee in behalf of Ricca and challenged the committee's jurisdiction, denied that his law partnership of many years with Congressman Adolph J. Sabath was responsible for his being hired to represent Ricca.

Rep. Busbey asserted, however, that the fact that Rein, a partner of Sabath, Attorney A. Bradley Eben, whose mother is employed in the White House; and Congressman Vito Marcantonio, who was considered as being close to the late President Roosevelt, were employed by the Chicago gangsters, along with Maury Hughes, close friend of Atty. Gen. Clark, and Paul Dillon, intimate friend of President Truman, was "highly significant."

Dillon's relationship with the Chicago gang was again mentioned by Willie Heeney, veteran Capone gangster, who came here from St. Louis. Heeney, who was a partner of Campagna in two prosperous Cicero gambling houses, said Dillon frequently visited him at his El Patio club in Cicero; and he frequently visited Dillon in St. Louis.

Deny Financing Paroles

Dillon, Francis Curry, Joliet gambler, and Louis Greenberg all denied financing the paroles of the four gangsters. Heeney, an ageing semi-invalid, just pleaded ignorance.

Curry, vigorous, in his early 40s, gave sharp answers to the congressmen who had directed a hunt for him that was carried on for more than a month before he was subpenaed. He admitted having gambling concessions in Will county and Joliet, but refused details of his income.

However, Theodore Link, a St. Louis newspaperman, tied Curry to the gambling operations of the Capone gang in Chicago, Joliet, St. Louis, and down to Dallas, Tex.

Parole System Harmed

Rogers, on the witness stand, refused to admit the paroles were "an error." He said the resultant investigation had done great harm to the parole system.

Monkiewicz accepted a full share of the responsibility for freeing the gangsters. Then, under questioning by Chairman Hoffman, he disclosed that the convicts were at large for two days before he knew it.

He said he was appointed to the board of June 5 and was sent out to visit prisons. He returned to Washington Aug. 15, he said, "and these cases were on the top of my agenda."

"But the men were out of prison two days then," said Hoffman. "Apparently two members could order a release, so what did they need of you?"

Failed To Dissent

"Well, I could have dissented," said Monkiewicz. "But I didn't. I studied the files for half an hour and then signed the release order, making it unanimous."

Wilson died before the committee could question him. Judge Bright also died during the investigation. A half dozen or more employes of the internal revenue bureau have refused to give the committee information on the details of the settlement of the income tax claims against the paroled gangsters.

The investigation is continuing.

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI
ATTENTION: MR. A. ROSEN

FROM : SAC, Chicago

DATE: May 15, 1948

SUBJECT: LOUIS CAMPAGNA, was; etal
BRIBERY; PAROLE MATTERS

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Nichols
Mr. Tracy
Mr. Egan
Mr. Quinn
Mr. Gurnea
Mr. Lichr
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease

For the information of the Bureau there are transmitted herewith a clipping from the Chicago Herald-American of May 14, 1948 and two clippings from the Chicago Tribune of May 15th, which relate to the captioned matter.

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RECORDED - 39

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Xerox Photo copy of clippings to AG. 5-25-48

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Rosen & AG 5-25-48 Case

PUSH TO RESUME PROBE OF CLARK ROLE IN PAROLES

TRIBUNE'S Expose Is Cited

BY JAMES DOHERTY

(Chicago Tribune Press Service)

Washington, May 14—Plans for a resumption of the congressional inquiry into the part played by Atty. Gen. Clark and the department of justice in giving hurry-up paroles to four of Chicago's most notorious criminals were under discussion here today. Rep. Hardy (D., Va.), member of the subcommittee assigned to the investigation, indicated the Truman administration will offer opposition.

Hardy charged that THE CHICAGO TRIBUNE'S case history of the federal paroles granted to Paul Ricca, Louis Campagna, Charles Gioe, and Phil D'Andrea, as it appeared in yesterday's editions, was timed to help secure passage of the bill intended to enable congress to compel government officials to furnish data which President Truman has classified as confidential. Hardy admitted that the four men should not have been paroled.

Hoffman Eager For Probe

Rep. Hoffman (R., Mich.), who said a letter containing important information had "mysteriously disappeared" from his files, declared he is eager to resume the inquiry into reports of huge cash payments in connection with the paroles. He said congress cannot write off this inquiry until it obtains the testimony of "Mike Ryan." Ryan was named by Maury Hughes, Dallas, Tex., neighbor and pal of Atty. Gen. Clark, as the pay-off man who gave him $15,000 for having Clark's office dismiss an indictment that stood in the way of paroles for the Chicago gangsters.

Numerous congressmen praised the action of THE TRIBUNE in exposing the facts of the parole scandal.

Rep. Martin (R., Ia.) said he plans to confer with the entire Iowa delegation in congress on the matter.

"Service To Nation"

"The paper has done the nation a service by printing the full story on this," Martin added. "It is a great help to congress, which should proceed to act without delay."

Rep. Landis (R., Ind.) declared the current investigation by congress should be pushed to the limit, no matter how many "persons in high places in the Truman administration are affected."

Rep. Jenkins (R., O.) said he is grateful "for the facts on a matter that should be pressed to its logical conclusion of exposing and punishing any one guilty of misdeeds."

Rep. Stefan (R., Neb.) said he had not been aware of the full story of the parole matter until today and he wants action.

$215,000 Paid Out

Other congressional comment included:

Rep. Grant (R., Ind.): "The extensive hearings on this case indicate clearly that the powers of the underworld were successful in obtaining paroles which it is now admitted should never have been granted. The committee records show that at least $215,000 was paid out in various settlements and fees to pave the way for these paroles, but the question still remains where this money came from. There is no ground for reasonable doubt that great political influence was brought to bear somewhere along the line."

Rep. Bennett (R., Mo.): "I am deeply curious about this parole situation where the investigation has led to the White House and other high places. I believe it should be thoroly inquired into. The parole system must be tightened and carefully watched to prevent dangerous criminal elements from taking advantage of any legal loophole or dishonest officials. I am particularly concerned because we have had a parole epidemic in Missouri since Mr. Truman became President."

Rep. Twyman (R., Ill.): "There is no reason why the gangster methods of Kansas City should be used in connection with our federal parole system."

CHICAGO TRIBUNE
May 15, 1948

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JUN 15 1948

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Chicago Daily Tribune
THE WORLD'S GREATEST NEWSPAPER

FOUNDED JUNE 10, 1847

10 • SATURDAY, MAY 15, 1948

ENTERED AS SECOND CLASS MATTER MAY 14, 1903, AT THE POSTOFFICE AT CHICAGO, ILL., UNDER ACT OF MARCH 3, 1879.

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CLARK, TRUMAN, AND THE GANGSTERS

Four members of the Capone mob who should be in prison are walking the streets of Chicago today, free to resume their careers in murder, pandering, extortion and bribery.

These gangsters are Paul (The Waiter) Ricca, one of the bosses of the gang, Louis (Little New York) Campagna, Charles (Cherry Nose) Gioe, and Philip D'Andrea. They are still at large in spite of a congressional investigation that has followed a trail of bribery and scandal right into the White House. The attorney general of the United States, Tom Clark, is deeply implicated.

James Doherty has just given the readers of THE TRIBUNE a summary to date of this scandalous affair. Mr. Doherty did not mention that it was he who uncovered many of the details of the plot, which the local Democratic machine and the New Dealers in Washington are doing everything in their power to conceal.

Mr. Doherty's recital of facts makes a sordid story, and also a frightening one. These gangsters are far worse than Dillinger, who made his living with a gun and lived a hunted life until he died. They walk the streets openly. They have allies and partners in the underworld of every large American city, from New York to Hollywood. They control wards in Chicago and other cities, and bargain with corrupt politicians for immunity for their crimes. They are partners in a nation-wide crime syndicate.

Ricca and his parthers play for millions. They were sentenced to long terms in prison for extorting $1,200,000 from the motion picture industry, by means of threats to tie it up by strikes. They seized control of the unions concerned at the points of their guns. They extorted hundreds of thousands of dollars from the members of those unions.

From the [illegible] they entered prison the fix began to [illegible]te for them. They were transferred from Atlanta penitentiary to Leavenworth, whence they could more conveniently run their gang empire while behind bars. The Atlanta warden warned the department of justice that money had been paid to effect the transfers. The gangsters were transferred anyway.

The gang's lawyers were plainly picked for their influence with the Truman administration. Bradley Eben's mother worked in the White House. Paul Dillon is a "call me Harry" friend of the President himself. Maury Hughes is a boyhood friend of Attorney General Clark. Hughes and Dillon didn't appear often in court. They earned their fees in the back rooms of the justice department, where they were most effective.

Clark's hand-picked parole board let the gangsters out of prison on Aug. 13, last year, almost the first day that it was legally possible to do so. They were whisked out the gates so fast that one member of the parole board didn't sign the release order until the hoodlums had been at liberty for 48 hours. Investigation of parole sponsors, which usually takes weeks or months, was speeded up, or, as subsequent evidence hints, wholly neglected.

Before the gangsters could be paroled many things had to be done. Clark did them all, or saw that they were done, or allowed them to be done. The convicts had hanging over them a mail fraud indictment for their extortions from union members. That had to be dismissed before they were eligible to parole. Hughes talked to Clark's assistants in the justice department, and the indictment was dismissed.

The gangsters also owed the government hundreds of thousands of dollars in income taxes that they had evaded on their loot. Clark's department compromised those tax claims at 20 cents on the dollar. No attempt was made to levy on the farms and other visible assets of the mob members. The money to pay the tax claims apparently came from the operation of slot machines in suburban Cook county, under a Democratic sheriff, Michael Mulcahy. This occurred just before an election in which Republican voters in Chicago wards that the mob controled were herded to the polls and told to vote Democratic, "to get four guys out of jail."

The Democratic political machine, here and in Washington, obviously hopes that if it sits tight, admits nothing, and does nothing, people will forget this scandal. THE TRIBUNE will see that people do not forget it. Neither, we are sure, will congress forget it, in spite of Clark's efforts to impede its investigating committee by gagging the FBI and placing other obstacles in the way.

Tom Clark should be impeached.

ENCLOSURE

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CHICAGO TRIBUNE
May 15, 1948

RECORDED - 39
INDEXED - 39

157-1386
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6 — Chicago Herald-American
Fri., May 14, 1948

Probe Parole Bribes: Church

WASHINGTON, May 14-(AP)-Rep. Church (R) of Illinois said today Congress should find out "who received and who paid bribes" for the paroles of four former Al Capone gangsters.

Church said in the House that it should pry out the facts about the paroling last August of Louis Campagna, Philip D'Andrea, Paul Ricca and Charles Gioe, convicted of a $1,000,000 movie extortion.

Church also said Congress should learn if a federal grand jury in Chicago, which has investigated the paroles, "is to be used in suppressing information."

THE CHICAGO AMERICAN

May 14, 1948

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RECORDED : 36

1948

Federal Bureau of Investigation
United States Department of Justice
Los Angeles, California
May 25, 1948

Director, FBI

RE: LOUIS CAMPAGNA, was., et al
BRIBERY - PAROLE MATTERS

Dear Sir:

On May 25, 1948 a Los Angeles Times newspaper article reflected that SALLY O'NEIL, former motion picture actress whose photograph was set out with the article, apparently made an appeal for help for impoverished people in Costa Rica. The article further stated that Miss O'NEIL was a resident of San Jose in Costa Rica for several years and recently arrived in Los Angeles from a trip via Charleston, South Carolina and that she was visiting her sister Mrs. JACK DURANT, formerly known as MOLLY O'DAY on the motion picture screen.

This newspaper article further set out information that Miss O'NEIL had made a declaration that a few days previously she had received a pleading letter from a Priest, Padre BENJAMIN NUNEZ, who is the Minister of Social Welfare and Labor in Costa Rica, which letter solicited aid from the people in the motion picture industry.

Miss O'NEIL made the statement that the people of Costa Rica are devoted to North Americans and their proximity to the Panama Canal makes them important allies.

It is noted that JOHN ROSELLI has been observed by Bureau Agents to meet and associate with SALLY O'NEIL in Los Angeles and recently ROSELLI wrote her a letter as was set out in Los Angeles teletype to the Bureau and Chicago on May 4, 1948.

Very truly yours,

R. B. HOOD
SAC

AIR MAIL
FER:BAJ
58-125
cc - Chicago

58-2000-1387
EX-122 RECORDED - 35 INDEXED - 35
21 MAY 27 1948

FOR VICTORY BUY UNITED STATES DEFENSE BONDS AND STAMPS

7 1 JUN 7 - 1948

31.1.95 SP5 (CW)

Mr. Rosen
Mr. McCabe
Mr. Evans

PERSONAL AND ~~CONFIDENTIAL~~

THE ATTORNEY GENERAL

June 8, 1948

Director, FBI

LOUIS CAMPAGNA, was, Etal
BRIBERY; PAROLE MATTERS

By memorandum dated March 17, 1948, I forwarded a memorandum to you pointing out that Subject John Roselli in the captioned investigation was closely associated with Jack Dragna, a prominent Los Angeles hoodlum. This memorandum was returned with a notation by you approving a technical surveillance on the residence telephone of Dragna. Since that time, the Los Angeles Division of this Bureau has endeavored to institute this surveillance; however, due to technical difficulties, it has not been possible to install the surveillance.

If, at a future date, these technical obstacles are removed, you will be so advised. Meanwhile, the surveillance, of course, cannot be instituted.

CAE:EDD
58-2000 — 1388

RECORDED - 41

SENT FROM D. O.
TIME 1:20 PM
DATE 6-7-48
BY RP

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Trecy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Wohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Gandy

JUN 21 1948

JUN 9 10 06 AM '48
RECEIVED READING ROOM
U.S. DEPT. OF JUSTICE

Federal Bureau of Investigation

United States Department of Justice
Los Angeles 13, California
May 28, 1948

~~CONFIDENTIAL~~

AIR MAIL

Director, FBI

Re: LOUIS CAMPAGNA, was. et al.
ROBBERY
PAROLE MATTERS

Dear Sir:

Re: Bulet, dated 5/18/48

Due to present technical difficulties and security involved, no technical surveillance can be undertaken at present time on JACK CAMPAGNA. However, if in future this undertaking is possible, this office will endeavor to make installations and Bureau will be advised.

Very truly yours,

R. B. HOOD
Special Agent in Charge

FER:CSG
58-125
Air Mail

RECORDED - 53 58-2000-1317
INDEXED - 31 JUN 1 1948

FOR VICTORY BUY UNITED STATES DEFENSE BONDS AND STAMPS

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI
ATTENTION: MR. A. ROSEN

DATE: May 14, 1948

FROM : SAC, Chicago

SUBJECT: LOUIS CAMPAGNA, was ; etal
BRIBERY; PAROLE MATTERS

For the information of the Bureau there is transmitted herewith a clipping from the Chicago Tribune of May 14th, which relates to the captioned matter.

MG
Enc. (1)

RECORDED - 39

58-2002-1389

IF ES

37 JUN 11 1948

52 JUN 9 1948

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3-1-95 BY SP5 CAR

CONGRESSMEN PURSUE STUDY OF 4 PAROLES

TRIBUNE Expose Stirs Strong Comment

BY JAMES DOHERTY
(Chicago Tribune Press Service)

Washington, May 13 —Members of congress today were studying what several termed "the scandalous action" of the federal parole board in opening prison doors for four of Chicago's most notorious gangsters. The review of the investigation of the paroles for Paul Ricca, Louis Campagna, Charles Gioe, and Phil D'Andrea in yesterday's CHICAGO TRIBUNE stirred many congressmen to comment.

Plans were discussed for a session of the Illinois delegation to discuss united action by the state's 26 representatives and two senators on the "dumping of four public enemies in Chicago."

Rep. Hoffman, (R.,Mich.), chairman of the house committee that started a congressional inquiry into the paroles, said he was ready to resume the task of investigating reports that bribes running to a half million dollars or more were paid.

Speculate On Payments

"It's news to me that the Chicago gangsters offered $50,000 for a pardon for Willie Bioff in 1940 but I am not surprised," said Hoffman, referring to a statement attributed to Circuit Judge Thomas J. Courtney, formerly state's attorney of Cook county.

"If the gang was willing to pay $50,000 to free Bioff from a six month jail sentence, how much was it willing to pay to free four of its leaders from the federal prison at Leavenworth, Kas.?" Rep. Busby (R.,Ill.) asked. "Four of them did have six and a half years shaved off their sentences, and we know they paid, but as yet we don't know how much."

Amazed At Effrontery

Busbey, a Chicago broker with offices on La Salle street, said his colleagues were amazed at the effrontery of the gangsters, as revealed in THE TRIBUNE, in asking former United States Sen. Slattery (D.,Ill.) to seek a pardon for Bioff from the then governor of Illinois, Henry Horner, who had appointed Slattery to the senate to fill a vacancy. According to Gioe's story, the gangsters offered Slattery a fee of $25,000.

Then, according to the story given the congressmen, the "mob" appealed to Jacob M. Arvey, now Democratic boss of Cook county, then an assistant to Mayor Kelly in political matters. Arvey told the congressmen he declined to act as Bioff's attorney in the pardon effort.

Rep. Church (R., Ill.), whose district includes part of Chicago's north side, a section of suburban Cook county, and all of Lake county, called the parole scandal to the attention of the house this morning. He obtained unanimous consent to have THE TRIBUNE'S story incorporated in the Congressional Record.

Cites Secret Data

"It is most timely," said Church, "because this very day we are expecting the house to pass joint resolution 432 which deals with the refusal by the top men of the Truman administration and by the President himself to give congress data which Mr. Truman or some of his subordinates say they consider confidential. They refused to give members of congress information regarding the release of these four convicts—and their refusal speaks for itself, and loudly.

"It is obvious the convicts should have been compelled to serve their full terms of 10 years, not let out in 3 1/3 years. It is obvious the Truman administration doesn't want to explain why the Capone gangsters were let out. It is obvious that congress owes a duty to the people of this country to follow this matter thru."

Reed Asks Public Notice

Rep. Chauncey Reed (R., Ill.), whose district comprises territory adjacent to Cook county on the west and south, said the review of the parole scandal bears out what he has been contending all along—that paroles should not be granted secretly. He said he is demanding a reorganization of the parole board and the law so that public notice will be required before any action is taken in the future to let criminals out of prison.

"The Chicago case is a flagrant example of a miscarriage of justice," Reed commented.

"Congress most certainly should pursue the parole investigation until it traces every dollar and is able to tell the public who profited by letting those four men out of prison," said Rep. Vursell (R.,Ill.), a former federal official in Chicago who knew the power of the Capone-Nitti-Ricca-Guzik crime syndicate and its influence with local politicians.

Rep. Richard B. Vail (R.,Ill.), whose district is part of Chicago's south side, said the review of the parole scandal showed that something was "rotten."

"The disclosures of the Hoffman-Busbey subcommittee as set forth in THE TRIBUNE reveals in all its sordid ugliness the collusion between crime and New Deal politics," Vail stated. "No less significance should be attached to a similar alliance between New Dealers and the radical element they have nursed into power and influence."

RECORDED - 39

INDEXED - 39

-1344

CHICAGO TRIBUNE
May 14, 1948

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/1/95 BY SP5 alcw

DECLASSIFICATION AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
DATE 04-08-2013
C88W15B80

RECORDED - 82

EX-20

SAC, Los Angeles

Director, FBI

~~CONFIDENTIAL~~

-1390

May 18, 1948

AIR MAIL

LOUIS CAMPAGNA, was., et al
EXTORTION; PAROLE MATTERS

Reurtel May 11, 1948, (X)(W) in which you indicate that the technical surveillance on Jack Dragna has not been installed because of technical and security difficulties. (X)

Will you please advise whether these technical and security difficulties will permanently preclude the institution of this surveillance or whether the possibility still exists that you may be able to install it within a reasonably short time.

SC-2000

CAE:gjb

COMMUNICATIONS SECTION
MAILED 2
MAY 18 1948 P.M.
FEDERAL BUREAU OF INVESTIGATION
U.S. DEPARTMENT OF JUSTICE

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Gandy

30 JUN 7-[illegible]

DECLASSIFICATION AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
DATE 04-08-2013
C88W15B80

~~CONFIDENTIAL~~

F.B.I. TELETYPE

11:00 P
NA RP

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

DECODED COPY

WASHINGTON 14 FROM LOS ANGELES 11 5:28 PM (U)

DIRECTOR URGENT

LOUIS CAMPAGNA, WAS., ET AL, BRIBERY, PAROLE MATTERS. REURTEL MAY 10 LAST. TECHNICAL SURVEILLANCE ON JACK DRAGNA NOT INSTALLED BECAUSE OF TECHNICAL AND SECURITY DIFFICULTIES.

HOOD

RECEIVED: 5-11-48 9:14 PM MW (U)

Classified by SP-5 RJG/CW
Declassify on: OADR

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE.
APPROPRIATE AGENCIES AND FIELD OFFICES ADVISED BY ROUTING SLIP(S) OF CLASS
DATE 2-3-84

CLASS. & EXT. BY SP-5 RJG/CW
REASON - FCIM 1-2.4.2
DATE OF REVIEW 2-12-84

~~CONFIDENTIAL~~

RECORDED - 82

58-2000-1340
F B I
3 MAY 28 1948 (U)

INDEXED - 82 (U)

EX-20

Let to FA 5-18-48 cae

cc - Donahue

If the intelligence contained in the above message is to be disseminated outside the Bureau, it is suggested that it be suitably paraphrased in order to protect the Bureau's coding systems. (U)

~~CONFIDENTIAL~~

cc Mr. Rosen Mr. M[redacted]e Mr. Evans.

The Attorney General

May 27, 1948

Director, FBI

LOUIS CAMPAGNA, was, ET AL
EXTORTION PAROLE MATTERS

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/11/95 BY SP5 SCA/cw

I am returning herewith a letter addressed to you from the Chief of Police, Los Angeles, California, captioned "John Roselli, U. S. #C-29-462." This letter was forwarded from the Criminal Division of the Department. Your attention is directed to the fact that John Roselli (the correct spelling of this name) is one of the five subjects in the captioned matter.

My memorandum to you of March 5, 1948, concerning the activities of subject Roselli was returned with your handwritten notation that a full investigation should be instituted.

Thereafter, by memorandum dated March 25, 1948, I advised you that Roselli had failed to register as a convicted felon, which is required by the Los Angeles Municipal Code. Pursuant to instructions received in a memorandum from Mr. Peyton Ford dated April 6, 1948, the Los Angeles Police Department was subsequently advised on April 20, 1948, that Roselli had failed to register as a convicted felon. It would appear that possibly the attached letter to you from the Los Angeles Police Department relates to Roselli's failure to register as a convicted felon, since the Los Angeles Police Department desires to obtain certified and exemplified copies of court records pertaining to Roselli's conviction in the U. S. District Court at New York City. For these reasons the letter from the Los Angeles Police Department is being returned to you.

If you so desire this Bureau will, of course, contact the Clerk of the U. S. District Court in New York City for the purpose of having him forward to the Los Angeles Police Department copies of the court records desired. No action in this regard, however, is being taken in the absence of instructions from you.

58-2000

CAR:WJM

RECORDED - 47

37 JUN 2 1948

Tolson
E. A. Tamm
Clegg
Glavin
Ladd
Nichols
Rosen
Tracy
Egan
Gurnea
Harbo
Mohr
Pennington
Quinn Tamm
. Room
Nease
Candy

SENT FROM D. O.
TIME 10:00 P.M.
DATE 5-29-48
BY MRK

51 JUN 5

COPY

Office of the
Chief of Police
C. B. Horrall

CITY OF LOS ANGELES
CALIFORNIA

Department of
POLICE
City Hall
Los Angeles 12
Michigan 5211

FLETCHER BOWRON
Mayor

May 10, 1948

Attorney General of the United States,
Department of Justice,
Washington, D. C.

RE: John ROSSELLI, US#C-23-462

Sir:

Files of this department show the above subject alias John F. Stewart, described as brown hair, hazel yees, five feet eight inches, 44 years of age, fingerprint classification 1/1 U/U OI/II II/10 4/10, was arrested March 19, 1943 and was imprisoned on conviction of Conspiracy to Interfer with Inter-state commerce, Coersion, Threat and Violence, and Mail Fraud: sentenced to 10 years and $10,000 fine; paroled 8-13-47. He was convicted under your jurisdiction.

He served time in the Federal Detention Home, New York City, their #41923; transferred to United States Penitentiary, Atlanta, Georgia, their #63775; on 4-4-44; to Terre Haute, Indiana, their number 4306, on 9-29-46, paroled from that institution.

Please furnish this department with certified, exemplified copy of judgment, committment, and that part of the minutes of court proceedings which have to do with the actual sentencing - where he was found "guilty," and any subsequent action regarding his conviction.

We shall greatly appreciate your cooperation in this instance, and we wish to assure you of our desire to reciprocate whenever possible.

Yours very truly,

C. B. HORRALL,
CHIEF OF POLICE.

By (signed Edward Walker)
EDWARD WALKER, LIEUTENANT,
COMMANDING, RECORDS &
IDENTIFICATION DIVISION

EW:MB

original returned to A.G. 5/27/48 CRE/HLM

100-
58-2000-139

Federal Bureau of Investigation

United States Department of Justice
Los Angeles, California
May 28, 1948

Mr. Tolson	
Mr. E. A. Tamm	
Mr. Clegg	
Mr. Glavin	
Mr. Ladd	
Mr. Nichols	
Mr. Rosen	
Mr. Tracy	
Mr. Egan	
Mr. Gurnea	
Mr. Harbo	
Mr. Mohr	
Mr. Pennington	
Mr. Quinn Tamm	
Mr. Nease	
Miss Gandy	

Director, FBI

CONFIDENTIAL

Re: LOUIS CAMPAGNA, was; ET AL
BRIBERY - PAROLE MATTERS

Dear Sir:

For the Bureau's general information, it is noted that the Los Angeles Herald-Express newspaper of May 27, 1948, reflected the following information concerning BRYAN FOY, former Vice President but now Producer at EAGLE LYON motion picture studio, who employed JOHN ROSELLI and closely associates with him now.

The public announcement was made that arrangements were completed May 26, 1948, between the United States Atomic Energy Commission and BRYAN FOY, Producer at EAGLE LYON, for the motion picture to be made about the Army Counter-Intelligence Corps' work in guarding and transporting the atomic bomb, as related by former Intelligence Agent NORBERT GAGEN. The article further related that FOY has been granted permission by the Atomic Energy Commission to photograph portions of Oak Ridge and that a full complement of actors and technicians, with FOY in personal charge, would leave for Oak Ridge on June 15, 1948. The motion picture is to be entitled, "These Were My Orders."

It is further noted that on May 10, 1947, BRYAN FOY contacted SAC R. B. HOOD and advised that JOHN ROSELLI had been working at EAGLE LYON Studios inasmuch as FOY had given him a position there but that ROSELLI was now employed in another studio across from the EAGLE LYON Offices. Mr. FOY assured that ROSELLI " is going straight" and is happy to be out of trouble. He advised he had learned that two men were making some inquiries at ROSELLI's apartment house about him. He added that ROSELLI had immediately reported this to the United States Parole Officer who stated that he knew nothing about such activity.

For the Bureau's information, it is noted that the Los Angeles Police Department did make inquiries at ROSELLI's apartment house and it is possible that Mr. FOY was attempting to ascertain the identity of the department making the inquiry and if the inquiry concerned this office.

Very truly yours,

RECORDED 47
INDEXED 47

R. B. HOOD,
SAC

58-2000-1392
F B I
10 JUN 2 1948

Burke all informally advs. that Foy associates with underworld characters. RWL 6/9/48

FER:PJC
58-125
cc: Chicago

53 JUN 11 1948

DECLASSIFIED BY SP5 a/cw
ON 3/1/95

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. A. Rosen

DATE: June 3, 1948

FROM : C. A. Evans

SUBJECT: LOUIS CAMPAGNA, was., et al
BRIBERY; PAROLE MATTERS

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Beahn
Miss Gandy

In connection with the captioned investigation, photostatic copies of the following documents were secured:

1. Files of the U. S. Board of Prisons for subjects. — 5

2. Departmental correspondence file.

3. Transcript of testimony taken before the Sub-committee of the House of Representatives Committee on Expenditures in the Executive Departments.

These photostatic copies are, of course, very bulky.

ACTION

This memorandum should be forwarded to the Records Section so that these bulky documents can be filed.

CAE:MJP
58-2000

Bulky destroyed per form 4-341
13 ENCL. dated 6/20/68
destroyed 6/24/68 ENC

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3-12-93 BY SP5 Cal/cw

RECORDED - 26

58-2000-1393
F B I
5 JUN 5 1948

60 JUN 12 1948

IDENTIFICATION DIVISION
CORRESPONDENCE UNIT

I-6

Date 5-24-48

TO:

✓ Bureau

___Mr. Tracy	___Div One Personnel Office
___Mr. Q. Tamm	___Assembly
___Mr. Bromwell	___Card Index
___Mr. Engert	___Posting
___Mr. Fallon	___Recording
___Mr. O'Connor	___Technical
___Miss Bisenius	___Typing
___Mr. Blase	___S.E.P.S.
___Miss Bouffard	___Army Ident
___Mrs. Colliflower	___Ident Leave Clerk
___Mr. Creighton	___Messengers
___Miss Dawson	___Stenographers
___Mr. Deiss	___Chief Clerk's Office
___Mr. H. L. Edwards	___Records Section
___Mr. J. E. Edwards	___Liaison Section
___Mr. Granger	___Mechanical
___Miss Greble	___Supply Section
___Mr. Kissock	___See me
___Mrs. Landvoigt	___Please handle
___Miss LoMedico	___Return - SPECIAL
___Mrs. McNeely	___Send prior corres.
___Mr. Norton	___Call Me Please
___Miss Phillips	___File Special
___Mr. Robinson	___Special Desk
___Mrs. Sisson	
___Miss Wilkewitz	
___Mr. Williams	
___Mr. Wilson	

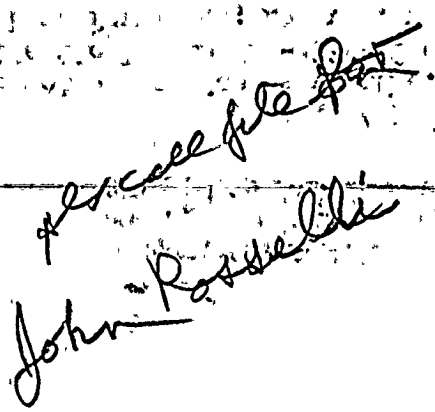
ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/19/95 BY SP5 alw

✓ Mr. M.A. Jones Room 4236

Referred for whatever action you deem advisable. Ident. Records show identical with FBI-3339986 on basis of registry numbers furnished; however, we do not have the information requested. Thanks.

R. Graves

6315 - 6316


Received file Part
John Rossetti

cc - Mr. Ladd
Mr. Evans

The Attorney General

June 5, 1948

Director, FBI
58-2000-1394
LOUIS CAMPANA, was., et al
CRIMES; RACKETEERING

RECORDED - 24

I am enclosing herewith for your information a photostatic copy of a newspaper article published in Chicago, written by James Doherty of the Chicago Tribune.

Enclosure

CAE:LJP
58-2000

SENT FROM D. O.
TIME 4:55 PM
DATE 6-5-48
BY

FBI

JUN 5 2 00 PM '48

FBI

JUN 5 11 28 AM '48

Mr. Tolson
Mr. Ladd
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Gandy

6 JUN 12 1948

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI
ATTENTION: MR. A. ROSEN

DATE: May 18, 1948

FROM : SAC, Chicago

SUBJECT: LOUIS CAMPAGNA, was; etal
PAROLE MATTERS; BRIBERY

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Nichols
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm

For the information of the Bureau there is transmitted herewith a clipping from the May 17, 1948, issue of the Chicago Tribune, which relates to the captioned matter.

DEFERRED RECORDING

RECORDED - 24

MG
Encl. (1)

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/1/95 BY SP5A/CW

62-2000-1394

E B H

29 JUN 8 1948

RECORDED

ENCL

CHICAGO DAILY TRIBUNE
Page 20 Mon., May 17, 1948

PAL OF PAROLED GANGSTERS ALSO ELIGIBLE NOW

But Maritote Is Still at Leavenworth

BY JAMES DOHERTY
(Chicago Tribune Press Service)

Washington, May 16—Today is eligibility day for [illegible]'s Maritote, alias Frank Diamond, who became a duke in the empire of crime when he married a sister of the late "Scarface" Al Capone. But it is not liberation day for him. He is being kept in the federal prison at Leavenworth, Kas. Those who joined with him in the venture of blackmailing and blackjacking the motion picture industry for 3 million dollars or more, are free on paroles which congress has under investigation.

Francis Maritote

Maritote was sentenced to 10 years in prison on Dec. 30, 1943. So were his Chicago gang bosses and associates, Paul Ricca, headman; Louis Campagna, Cicero gambling boss; Phil D'Andrea, Capone's personal gunman, and Charles Gioe, handyman in various ways. But Ricca, Campagna, D'Andrea and Gioe were paroled last Aug. 13, shortly after they had served 3 1/3 years, which was when they became eligible for parole under federal law.

Reports Hearing Soon

"We'll give Maritote a hearing soon," the United States parole office here announced. "One of the members will call on him in prison and discuss his application with him."

A congressional committee headed by Rep. Hoffman (R., Mich.) and of which Rep. Busbey (R., Ill.) is a member, has been making an investigation of reports that Ricca, Campagna, Gioe, and D'Andrea paid a large sum of money for their paroles. Rep. Busbey said today he has no way of knowing yet whether any gang outlay of cash for the four paroles included the prospective freedom of Maritote, who was not eligible for parole as early as were his fellow convicts of the Capone gang.

"It can't be a question of money that is keeping Maritote in prison," said Busbey. "Maritote was able to pay, the committee has been assured."

Maritote's ability to raise whatever cash would be necessary to give him "equal justice" with the other Caponeites was disclosed to the congressional committee by government records pertaining to Maritote's income tax.

Shared Gambling Take

The brother-in-law of Capone admittedly shared in the $100,000 a year profits of one gambling house—according to government records. Furthermore, he had no hesitancy in informing the federal government that he had the privilege of operating a handbook for horse race betting in Chicago's 1st ward, which for nearly two decades had been under the control of the Capone-Ricca-Guzik gambling syndicate.

The $100,000 a year profits came from the handbook operated in the Lorraine hotel, 411 S. Wabash av., according to Maritote's own admission to tax authorities. For 1936 he admitted getting $17,110 from the Lorraine hotel book, and $16,110 in 1937.

ENCLOSURE

RECORDED - 24

62-3000-1394

5 S JUN 26 1948

CHICAGO DAILY TRIBUNE
May 17 1948

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/16/05 BY SP5 cla

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. Rosen 4:45 p.m. DATE: May 27, 1948

FROM : E. J. McCabe

SUBJECT: LOUIS CAMPAGNA, was, et al
BRIBERY - PAROLE MATTERS

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/1/95 BY SP5 a/cw

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mendon
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Holmes
Miss Gandy

SAC G. R. McSwain of the Chicago Office telephonically advised the following letter had been received by that office from USA Otto Kerner, Jr., dated May 24, 1948:

Dear Mr. McSwain:

As you know, we are still progressing with the Campagna, et al matter. There are many details that have not yet been sufficiently cleared which have been investigated in the Kansas City area. I am of the opinion that if an Agent or Agents who have investigated this matter in Kansas City were requested to come to Chicago for a conference, it is possible that the details might be cleared immediately.

It would probably assist in the further investigation of this matter if the Agents actually doing the investigative work were completely apprised of many confidential facts which are in our possession.

I am cognizant of the fact that an Agent's time is extremely valuable and that a trip to Chicago may be unusual. However, I feel that this matter cannot be closed without some further investigation, or at least an explanation of certain happenings in the Kansas City area.

Will you please inform me whether this conference can be arranged.

Very truly yours, G. I. R. -9

Mr. McSwain's proposed reply to the above communication is as follows:

Otto Kerner, Jr., USA

RECORDED - 16 58-2000-1395
INDEXED - 16 31 JUN 15 1948

Dear Mr. Kerner:

Reference is made to your letter of May 24, 1948, regarding the Louis Campagna, et al matter. Your letter indicated that there are many details which have not yet been sufficiently cleared which have been investigated in the Kansas City area; that in your opinion if an Agent or Agents who have investigated this matter in Kansas City were to come to Chicago for a conference with you, it is possible that the details might be cleared immediately and that it would probably assist in the further investigation of this matter if the Agents were actually

EJM:vpm

52 JUN 17 1948

doing the investigative work were completely apprised of many confidential facts which are in your possession. You indicate further that you feel that this matter cannot be closed without some further investigation or at least an explanation of certain happenings in the Kansas City area.

This Bureau was of the opinion that all information in your possession had been furnished to this Bureau at the time when specific investigative requests were made of us. However, if you have any additional information which you desire to make available at this time and which has not been previously made available, we would certainly like to receive such data immediately in order that we can have the completed information for our investigative pursuits. Availability of such information would give us an appropriate understanding of the entire situation prior to arranging for a conference in connection with this matter.

Very truly yours,

ADDENDUM - 3:30 P.M., 6-1-48 AR:lg

I called SAC McSwain at Chicago with reference to this letter, and told him I approved his letter with the exception of the last paragraph, which should be changed to read as follows:

"This office was of the opinion that all information in your possession had been furnished to us at the time when specific investigative requests were made. However, if you have any additional information which you desire to make available at this time and which has not been previously made available, we would certainly like to receive such data immediately in order that we can have the completed information for our investigative pursuits. I have in accordance with your request arranged for the Agents in Kansas City to come to Chicago for a conference."

I also instructed Mr. McSwain to call Kansas City and arrange to have the Agents report immediately for the conference and have them go to the meeting with Kerner attended by Agents of the Chicago Office. Mr. McSwain said he would have ASAC Hosteny and SA Ritemeyer attend the meeting so that the Chicago Office will also know what the conference is about. Mr. McSwain will keep the Bureau promptly advised of all developments.

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. A. Rosen

DATE: May 25, 1948

FROM : C. A. Evans

SUBJECT: LOUIS CAMPAGNA, was., et al
BRIBERY; PAROLE MATTERS

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Holmes
Miss Gandy

The Chicago Tribune, on May 13, 1948, published an extensive article by James Doherty, their reporter, who has followed this matter most closely. This article is a "rehash" of this entire case as viewed in the eyes of the Chicago Tribune.

On the following day Doherty's article was followed up with articles quoting several Congressmen from Illinois and surrounding states and on May 15, 1948 a long editorial was published in the Tribune calling for the impeachment of Tom Clark because of his activities in connection with this case.

ACTION

There is attached a letter to the Attorney General forwarding photostatic copies of the newspaper clippings mentioned. It is noted that the Bureau has regularly forwarded to the Attorney General photostatic copies of newspaper clippings from the Chicago press concerning this case.

Attachments

CAE:MJP
58-2000

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/14/95 BY SP5 alm

RECORDED - 125 158-2000-1396
FBI
29 JUN 5 1948

EX-19

62 JUN 11 1948

SAC, Chicago

May 28, 1948

Director, FBI

LOUIS CAMPAGNA, with aliases, ET AL
EXTORTION; FAROLE MATTERS

Reurtel May 27, advising of the discontinuance of Confidential Informant CGO 5634.

The Department has been advised of the discontinuance of this surveillance. You should verbally advise Mr. Otto Kerner, Jr., U. S. Attorney at Chicago of the necessity of discontinuing this surveillance.

RECORDED - 74
52-2000 -1397
CAE:LS

EX-12

COMMUNICATIONS SECTION
MAILED 12
☆ MAY 28 1948 P.M.
FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hohn
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Gandy

DECLASSIFICATION AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
DATE 04-08-2013
CS8W15B80

~~CONFIDENTIAL~~

F.B.I. TELETYPE

DECODED COPY

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

APPROPRIATE AGENCIES AND FIELD OFFICES ADVISED BY ROUTING SLIP(S) OF CLASS
DATE 9-7-81

CLASS. & EXT. BY 54-5 RSB/RC
REASON - FCIM II, 1-2.4.2
DATE OF REVIEW 1-12-94

WASHINGTON 26 FROM CHICAGO 26 7:30 PM

DIRECTOR, FBI URGENT

ATTENTION, ASST. DIRECTOR A. ROSEN

LOUIS CAMPAGNA, WAS, ET AL. BRIBERY, PAROLE MATTER. REBUTEL DECEMBER EIGHTEEN, FORTYSEVEN, AND OURTEL JANUARY EIGHT LAST. IT HAS BEEN ASCERTAINED THAT TELEPHONE WABASH 0727 COVERED BY CONF. INFT CGO 5684 FORMERLY LOCATED AT RESIDENCE OF JOE FUSCO ROOMS 1504 THROUGH 7, STEVENS HOTEL, SEVEN TWENTY SOUTH MICHIGAN AVENUE, HAS BEEN MOVED TO ROOMS 1705 AND 6, SAME ADDRESS. THIS PHONE HAS BEEN IN THE NAME OF PATRICK A. MANNING AND HAS BEEN MOVED TO HIS NEW RESIDENCE IN VIEW OF HIS RECENT MARRIAGE. IT HAS BEEN DETERMINED THAT THERE ARE NO PRIVATE PHONES IN FUSCO'S ROOM OTHER THAN USUAL HOUSE PHONE OF STEVENS HOTEL. IN VIEW OF ABOVE CHANGE SERVICES OF CGO 5684 WILL BE DISCONTINUED AT NOON MAY TWENTYSEVEN NEXT UNLESS ADVISED TO CONTRARY BY BUREAU. IN VIEW OF FACT FULL SECURITY CANNOT BE ASSURED, COVERAGE OF HOUSE PHONE IN FUSCO'S ROOMS, 1504 THROUGH 7, NOT BEING EFFECTED.

~~ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE.~~

MC SWAIN

RECEIVED: 5-26-48 9:12 PM
CORRECTED: 5-26-48 10:25 PM

RECORDED - 58-2000-1397
INDEXED - 7431 JUN 5 1948

Classified by
~~Declassify on: OADR~~

Memo by Mr. Carter Ford left in Chicago 5/28/48 - CAB

If the intelligence contained in the above message is to be disseminated outside the Bureau, it is suggested that it be suitably paraphrased in order to protect the Bureau's coding systems.

~~CONFIDENTIAL~~

7:43 PM
NO ACTION
JGL

FEDERAL BUREAU OF INVESTIGATION
U.S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

MAY 23 1948

TELETYPE

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn
Mr. Nease
Miss Gandy

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/11/93 BY SP5 CAL/AR

CONF WASH 11 AND CGO 2 FROM LOS ANGELES 28 3-25 PM

DIRECTOR AND SAC CHICAGO URGENT

LOUIS CAMPAGNA, WAS, ET AL. BRIBERY, PAROLE MATTERS.

CONF INFT.

REBUTEL MARCH FIFTEEN LAST. GCD DASH TWENTY FOUR ADVISED YESTERDAY ROSELLI CONTACTED CHARLEY FOY AND ASKED DIRECT QUESTIONS CONCERNING WHAT FOY WAS DOING WITH DISTRIBUTION OF LETTERS ROSELLI FORWARDED FOY. LETTERS ARE BELIEVED TO BE SAME ONES PERTAINING TO PLEA MADE BY FATHER NUNEZ OF COSTA RICA AS MENTIONED IN LA TEL MAY TWENTY FIVE LAST. ROSELLI SUGGESTED THAT FOY CONTACT JOHN FORD, BELIEVED TO BE MOTION PICTURE DIRECTOR, TO ASSIST IN SOLICITING AID FROM PERSONS IN MOTION PICTURE INDUSTRY FOR THE COSTA RICANS. FOY, WHO WAS PRESENT AT AMERICAN LEAGUE FOR A FREE PALESTINE BENEFIT HELD AT SLAPSY MAXIES NIGHT CLUB MAY TWENTY FOUR LAST AND WHICH WAS SPONSORED BY MICKEY COHEN, LA RACKETEER, TO COLLECT MONEY TO ASSIST FIGHTING CAMPAIGN IN PALESTINE, MENTIONED TO ROSELLI THAT MUCH MONEY WAS COLLECTED AT THIS BENEFIT. ROSELLI WAS VERY AGGRAVATED AT ~~THHHHX~~ THIS ~~SOLICITATAXX~~ SOLICITATION FOR AID TO PALESTINE AND SAID QUOTE THE JEWS COLLECTED MUCH MONEY THAT NIGHT AND THEY WERENT EVEN FIGHTING COMMUNISM UNQUOTE. ROSELLI BECAME AGGRAVATED AT FOUS COMPARISON WHICH RIDICULED ROSELLIS FAILURE TO COLLECT AID IN HIS CAMPAIGN FOR

END PAGE ONE

RECORDED - 77 58-2000-1398
INDEXED - 77
33 JUN 5 1948

59 JUN 15 1948

c/c Evans

PAGE TWO

~~COSTRX~~X COSTA RICA. ROSELLI TOLD ~~FO XX~~ FOY NOT TO GET HIM MAD IN THIS CONNECTION AND THAT FOY SHOULD ADVISE HIM WHEN HE CONTACTED FORD AT A LATER DATE. UNKNOWN MAN ASKED ROSELLI WHAT SALLY O'NIEL, FORMER ACTRESS, WAS DOING AND HE STATED THAT SHE HAD RECEIVED A LETTER FROM FATHER NUNEZ IN COSTA RICA AND WAS ASSISTING IN THE FIGHT AGAINST COMMUNISM THERE.

HOOD

ACK PLS

Rec'd 11:05 pm
5-29-48
N.A.
JLH

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

MAY 29 1948

TELEMETER

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/1/95 BY SP5CA/cw

CONF TWO SATIONS WASH 13 CGO 3 - FROM LOSA 29 7-40 PM

DIRECTOR FBI AND SAC CHICAGO URGENT

LOUIS CAMPAGNA, WAS, ET AL , BRIBERY, PAROLE MATTERS. RE BUTEL MARCH 15 LAST. GCD- WR ~~X~~24 ADVISED YESTERDAY ROSELLI WAS IN STUDIO OFFICE FOR A FEW MINUTES ONLY IN AFTERNOON AND NO PERTINENT INFO WAS FURNISHED. TODAY ROSELLI DID NOT GO TO HIS OFFICE.

END

HOOD

RECORDED - 77 58-2000-1399

EX-13 29 JUN 5 1948

F B I

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

MAY 26 1948

TELEMETER

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

CONF 2 STATIONS

WASH 2 CGO 1 FROM LOS ANGELES 26 10-50 P

DIRECTOR AND SAC URGENT

LOUIS CAMPAGNA, WAS, ET AL, BRIBERY, PAROLE MATTERS. REBUTEL MARCH FIFTEEN LAST. GCD DASH TWENTYFOUR ADVISED ROSELLI WAS IN STUDIO OFFICE ONLY FOR SHORT TIME THIS AFTERNOON. NO PERTINENT INFO. FURNISHED. LA TIMES NEWSPAPER TODAY CARRIED ARTICLE REFLECTING PHOTO SALLY O'NIEL, FORMER ACTRESS, WHO IS MAKING PUBLIC APPEAL FOR FUNDS TO HELP PUBLIC IN COSTA RICAN REPUBLIC HAVING QUOTE JUST [redacted] FOUGHT OFF A COMMUNISTIC ONSLAUGHT UNQUOTE. ARTICLE QUOTED PLEADING LETTER FROM PRIEST, FATHER BENJAMIN NUNEZ, MINISTER OF SOCIAL WELFARE AND LABOR IN COSTA RICA, WHICH LETTER SOLICITED AID FROM PEOPLE IN MOTION [redacted] PICTURES. [redacted] LETTER FORWARDED BUREAU AIRMAIL TODAY RE NEWSPAPER ARTICLE. GCD DASH TWENTYFOUR ADVISED MAY TWENTYONE LAST ROSELLI HAD STENO MAKE TWENTY COPIES OF A LETTER FROM A PRIEST AND IMMEDIATELY AFTERWARDS CONTACTED SALLY [redacted] O'NIEL RE QUOTE GIVING HER A LINE OR CONTINUATION UNQUOTE. ROSELLI THEN HAD CONVERSATION WITH BRYAN FOY RE STORY SUGGESTED BY SALLY O'NIEL AND ASKED IF THE MOTION PICTURE INDUSTRY WAS MENTIONED IN STORY. BELIEVED ROSELLI MAY HAVE ASSISTED O'NIEL IN ARTICLE PREPARED FOR SOLICITING AID IN COSTA RICA.

RECORDED - 57-2000-1440

29 JUN 3 1948

HOOD

ACK PLS

10:20 PM
No action
GJ

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

MAY 24 1948

TELEMETER

Mr. E. A. ...
Mr. C. ...
Mr. Glavin ...
Mr. Ladd ...
Mr. Nichols ...
Mr. Rosen ...
Mr. Tracy ...
Mr. Egan ...
Mr. Gurnea ...
Mr. Harbo ...
Mr. Mohr ...
Mr. Pennington ...
Miss Jones ...

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/16/95 SESAC

CONF 2 STATIONS

WASH 15 CGO 1 FROM LOS ANGELES 24 6-06 P

DIRECTOR AND SAC URGENT

LOUIS CAMPAGNA, WAS, ET AL, BRIBERY, PAROLE MATTERS. REBUTEL MARCH FIFTEEN LAST. GCD DASH TWENTYFOUR ADVISED TODAY JOE BREEN, JR., WRITER, CONTACTED ROSELLI BY TELEPHONE REQUESTING TO KNOW OF THE ~~XXXX~~ DATE JULES STEIN, WRITER, WAS LEAVING E. L. STUDIO. ROSELLI CONTACTED CHARLEY FORY BY TELEPHONE LATER AND MADE ARRANGEMENTS TO MEET WITH ~~XXXX~~ HIM IN AFTERNOON. NO OTHER ACTIVITY REPORTED.

HOOD

ACK PLS

G.I.R. 9

RECORDED - 77 59-2000-1401
29 JUN 5 1948

53 JUN 11 1948

EX-13

cc Mr Gurnea

[redacted] Ford
[redacted]stant to the Attorney General
[redacted]ctor, FBI

May 28, 1948

PERSONAL AND CONFIDENTIAL

LOUIS CAMPAGNA, with aliases, ET AL
BRIBERY; PAROLE MATTERS

One of the technical surveillances instituted in this case at your [redacted] was placed on telephone service used by Joe Fusco at the Stevens Hotel, [redacted]th Michigan Avenue, Chicago. The private telephone line utilized by Fusco at this address was subscribed to by Patrick A. Manning with whom Fusco resided. Manning has recently been married and consequently his private telephone line has been moved to other rooms at the Stevens Hotel which he occupies with his wife. Joe Fusco no longer has a private telephone in his residence at the Stevens Hotel. For this reason the technical surveillance on the private line formerly used by Joe Fusco has been discontinued.

The only telephone service now used by Fusco is an extension on the regular Stevens Hotel switchboard. A surveillance on this extension telephone cannot be instituted because the security of such an installation cannot be assured.

The U. S. Attorney at Chicago is being advised of the necessity of discontinuing the technical surveillance which formerly covered the telephone used by Fusco.

[redacted] BY SP5 CAE/ms
[redacted] 3/1/95

58-2000
CAE:LS

RECORDED - 84

58-2000-1402
FBI
42 JUN 5 1948

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Gandy

COMMUNICATIONS SECTION
MAILED 3
MAY 28 1948 P.M.
FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

62 JUN 11 1948

United States Department of Justice
Federal Bureau of Investigation
CHICAGO, ILLINOIS

IN REPLY, PLEASE REFER TO
FILE No. 58-194

May 10, 1948

~~CONFIDENTIAL~~

AIR MAIL-SPECIAL DELIVERY

Director, FBI

Attention: Assistant Director A. ROSEN

Re: LOUIS CAMPAGNA, was, et al.
BRIBERY; PAROLE MATTER

Dear Sir:

CONFIDENTIAL

There are enclosed copies of a blind memorandum captioned, "ANTHONY ACCARDO," covering data obtained from CG 58-5683 during the period May 1 through May 7, 1948. One copy of this memorandum was furnished to the United States Attorney, OTTO KERNER, JR., on May 10, 1948, in accordance with the instructions contained in Bureau letter of January 17, 1948.

It is noted that during the period covered by this memorandum there were only three outgoing calls made over the telephone at the residence of ANTHONY ACCARDO.

Very truly yours,

G. R. McSWAIN
SAC

DECLASSIFIED BY SP5 CA/CAB
ON 3/1/95

Enc. (3)

cc-New York (Enc. 2) - AMSD

RER:RGB
58-194

3 ENCL
1 CY 5/20/48 CAE

RECEIVED
RECORDED - 41
INDEXED - 41

58-2000-1403
F B I
19 MAY 28 1948

62 JUN 12 1948

ANTHONY ACCARDO

There were only three outgoing calls made over the telephone at the residence of ANTHONY ACCARDO during the period May 1 through May 7, 1948. The following calls may be of some significance.

At approximately 11:30 A.M. on May 1, 1947 Mrs. JEFFRIES called the Sibilano Furniture Company and asked for Mr. SIBILANO, who was not in.

At approximately 1:30 P.M., on May 3, 1948, CLARICE ACCARDO, wife of ANTHONY ACCARDO, called Mrs. FRANK JEFFRIES and carried on a general conversation. CLARICE mentioned that she just had her hair fixed "down there" so she wouldn't have to have it fixed right after she got back. CLARICE inquired of Mrs. JEFFRIES as to what kind of meat was in the ice box.

United States Department of Justice
Federal Bureau of Investigation
Post Office Box 812
Chicago 90, Illinois

IN REPLY, PLEASE REFER TO
FILE No. 58-194

May 10, 1948

~~CONFIDENTIAL~~

AIR MAIL - SPECIAL DELIVERY

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

Director, FBI

Attention: Assistant Director A. ROSEN

Re: LOUIS CAMPAGNA, was, et al.
BRIBERY; PAROLE MATTER

Dear Sir:

CONF. INFT.

There are enclosed copies of a blind memorandum captioned, "CHARLES GIOE," covering data obtained from CGO-5682 during the period May 1 through May 7, 1948. One copy of this memorandum was furnished to the United States Attorney, OTTO KERNER, JR., on May 10, 1948, in accordance with the instructions contained in Bureau letter of January 17, 1948.

DERECORDING

It is noted that during the period covered by this memorandum there was a total of thirty-one calls made and received over the telephone at the residence of CHARLES GIOE. Of these calls twenty-six were outgoing and five were incoming calls.

Very truly yours,

G. R. McSWAIN
SAC

Enc. (3)

cc-New York (Enc. 2) - AMSD

DECLASSIFIED BY SP5 a/aw
ON 5/19/95

RER:RGB
58-194

58-2000-1404

SE 15 58- FBI

RECORDED - 41 19 MAY 28 1948

INDEXED - 41

52 JUN 16 1948

CHARLES GIOE

There were approximately the same number of calls made and received over the telephone at the residence of CHARLES GIOE during the period May 1 through May 7, 1948 as in the previous period, and the majority of these calls consisted of personal and social matters and some possibly dealt with GIOE's business transactions. The following calls may possibly be of some significance.

About 10:00 A. M. on May 2, 1948, CHARLES GIOE talked to MALCOLM CLARK at which time he mentioned that he just got in from the country and that he had to go back because ALBERTA was having a little trouble as their help left.

Right after the above call CHARLES GIOE called the IMPERIAL HOUSE and talked to "SCOTTY" concerning the sale of the Wilmot, Wisconsin property. SCOTTY told GIOE that he has some people who were undecided about it. GIOE inquired as to what was new with WILLIE and SCOTTY said he saw WILLIE before he left for Michigan. CHARLIE asked how the wrecking business was going and SCOTTY said it all depends on who's getting wrecked.

Later in the morning of May 2, 1948 CHARLES GIOE talked to his wife, ALBERTA, at Wilmot, Wisconsin. CHARLIE told her that he called GREENBURG but that GREENBURG was not in but he had left word for GREENBURG to call him.

About 9:00 A. M., on May 3, 1948, CHARLIE GIOE called his wife, ALBERTA, at Wilmot, Wisconsin and told her that LOUIE (GREENBURG) is coming out there about 3:00 or 3:30 this afternoon. ALBERTA GIOE said she would be coming in the following night.

About 5:00 P. M., on the same date, GIOE talked to ALBERTA at Wilmot, Wisconsin and asked her if LOUIE got there. His wife said he came out with his two daughters and the other party that was interested. CHARLIE inquired if MARCELLA came out and ALBERTA said she did. She said they looked around and then they left; that LOU said he wanted to bring his wife out. ALBERTA said this fellow seemed very interested. CHARLIE asked if JO (WISEMAN) was there and ALBERTA said she was. CHARLIE said he tried to get hold of HYMIE today and wanted to know if JO knew of any place where CHARLIE could reach HYMIE. ALBERTA said that he should be at 33818. CHARLIE said he called that number and he wasn't around. ALBERTA said JO suggested he try that number again and leave word for HYMIE to call him. She continued and said that if he called him in the morning he could

ENCLOSURE
58-2122-1464

Re: CHARLES GIOE

reach HYMIE at the hotel. ALBERTA said she is coming in the following morning and will then go back to the country Wednesday or Thursday. CHARLIE said he might go back with her.

About 6:00 P.M. that evening CHARLIE GIOE called the residence of MARK LIPSKY and asked to talk to MARK who was not in. GIOE said it was nothing important and he would call him in the morning.

At about 9:00 A. M., on May 4, 1948 CHARLIE GIOE called HYMIE WISEMAN at the Brown Hotel, Des Moines, Iowa. After exchanging greetings, GIOE said, "Listen, there's a friend of mine just got in town from -- he lives down in Florida right now--and he's always been a very capable man around here. He's one of the top men in the business you know. So I want to send him down to you. So that he can sit down with you and your man and there won't be any mistakes made." HYMIE said, "I see," and CHARLIE asked, "You follow?" HYMIE said, "Yeah." CHARLIE continued, "All right. So he'll either fly or whatever he can." HYMIE said, "Well, I think everything is going to be all right." GIOE said, "Oh, I see. Well, then--" and HYMIE continued, "As I sensed it." GIOE said, "Well, we understand that. We always qualify our statements, you know... You sure then. What I'm going to need is--well--let me see, I was just thinking then that--I just don't want to have anybody make no mistakes, see?" and HYMIE said, "Uh huh. Well, it's been--it wouldn't come up until the 18th anyway." CHARLIE said, "Well, that ain't got nothing to do with it. I don't want him to go up there. I just want him to--" and HYMIE said, "Oh, you want him to sit down and talk with--" and GIOE said, "Yeah, I just wanted him to straighten out your man, see? So you know what he's at. You follow what I mean?" HYMIE said he did, and GIOE continued, "See, more or less in the capacity of an adviser..... So if you don't think there's any need of it--why--" HYMIE said, "Well, I doubt that very much because--" and GIOE asked, "It died on the way?" HYMIE answered, "No, but the worst could happen at the--well then, all right, that's all I wanted to know. I was just--" and HYMIE said, "I'm saying it looks that way. The worst that could happen would be a fine or a suspended sentence." CHARLIE said, "Well, that's all right then. Because the only thing I wanted to make sure that the--some representation down there. You understand?" and HYMIE said, "Yeah, well, we're all right on that..... It's a peculiar situation here because the guy is running for office--wants to be a big man." CHARLIE said, "Well, that's all right as long as he gets straightened up. That's all--" HYMIE said, "I'll be in there--I'll probably leave here Wednesday--I'm not sure." CHARLIE said that would be fine and "then we can--" HYMIE said, "I don't think that's necessary CHARLIE, at all..." HYMIE said he would probably be in Thursday and CHARLIE said, "All right--OK--as long as you're not greatly concerned," and HYMIE said, "I'm not worried about the

thing--it's just the publicity on it." GIOE said, "I understand--well, let that--it comes and goes anyway," and HYMIE said, "I expect that, you know?" and CHARLIE said "Yeah, sure....How come that brewery telephone doesn't--has been disconnected?" and HYMIE said, "He's moved." GIOE said, "Oh, I see. Don't they have the same name?" and HYMIE said, "Yeah, but a different location. Phones are tough to get here.... They couldn't move the phones. They have to use a different number." CHARLIE said, "And that 33818--well they answered but you weren't around." HYMIE told GIOE, "Well, that's the place and we're--I don't hang around there," and GIOE said, "Well, I figured you might gather as to who is calling or something, you know. All right then, I'll just hold it in abeyance until you get here."

Around 5:00 P. M., on May 4, 1948 HELEN MALONEY talked to GLORIA at which time GLORIA told her that her mother, ALBERTA GIOE, got back from DesMoines and JO came back with her, but they are both in the country.

About 6:30 P.M. the same date ALBERTA GIOE talked to her daughter, GLORIA and said she wouldn't be home for dinner as she is coming in late. GLORIA told ALBERTA that LINCOLN (PLAUTT) is home. CHARLIE GIOE then talked to ALBERTA and told her to tell JO that he talked to HYMIE and that HYMIE is coming into Chicago probably Thursday.

Around 7:00 P.M. on the same date CHARLIE GIOE talked to MARK LIPSKY and told MARK that he had just talked to LINCOLN and that LINCOLN is leaving for New York tomorrow night. GIOE also told MARK that LINCOLN never got the letter that MARK mailed to him at the Brown Hotel in Louisville. MARK could not understand why LINCOLN had not received the letter. GIOE said he had an appointment with LINCOLN at 8:00 A.M. in the coffee shop and MARK said he would be there.

About 8:00 P.M. on May 4, 1948 GIOE called the residence of ROBERT CUTRO and asked if ROCKY was home. FRANCES, who answered the phone, said ROCKY was not there. GIOE inquired if ROCKY was at the Show Tap and FRANCES said no, he was at the office of the Alderman and she would have ROCKY call GIOE at the hotel.

At 10:45 A.M. on May 5, 1948, CHARLIE GIOE called MARK LIPSKY and asked how everything was. MARK said everything was all right and GIOE said, "Good, well, what are you going to do? I thought you'd call me, you know, after we got through with that conversation." LIPSKY's replies were inaudible. CHARLIE said he was still at home and had been waiting for MARK to call him. MARK said he would be out around 1:00. He said, "I want to call LEVY (phonetic spelling) about that car." MARK asked CHARLIE if he would be home and GIOE said he didn't know where he'd be. He said he would

probably go to Consolidated first and from there to the restarant and then to the North Side. MARK said he would catch up with CHARLIE.

Around 5:00 P.M. on May 6, 1948 CHARLIE GIOE called the office of the State of Illinois, Department of Finance. GIOE asked if "HAPPY" was there and the girl answering the phone said he was not there, and she did not know if he had been there.

United States Department of Justice
Federal Bureau of Investigation

New York, New York

IN REPLY, PLEASE REFER TO
FILE No. _____

May 13, 1948
~~CONFIDENTIAL~~

Director, FBI

Attention: Assistant Director A. Rosen

Re: LOUIS CAMPAGNA, was., et al
BRIBERY, PAROLE MATTERS

Dear Sir:

DECLASSIFIED BY SP5C/Am
ON 3/1/95

Rebulet 1/17/48 and mylet 5/4/48.

There are enclosed herewith appropriate copies of a blind memo captioned "TONY RICCI" covering data obtained from Confidential Informant NYT 466 during the period May 1, 1948 to May 7, 1948 inclusive.

It is noted that during the period covered by this memo there was a total of 30 telephone calls made and received over this phone.

It is also noted, in regard to the conversation of May 7, 1948 between COPPOLA and RICCI regarding the apparently corrupt Police Inspector, that the "JOE" mentioned may possibly be JOSEPH SHARKEY, political leader in Brooklyn, whom RICCI has contacted in the past as previously reported.

For the information of the Bureau, in the recent past, raids have been made by squads from the Office of the Police Commissioner on various bookie joints in Brooklyn. These raids have been conducted in the territories assigned to Deputy Chief Inspector PAUL BYRNE and Inspector WILLIAM "BROADWAY" JONES. The latter two police officials are reportedly resigning in the near future and their positions will soon be open. Also there is a rumor that Assistant Chief Inspector JOHN J. MARTIN will soon resign.

ENCL

Very truly yours,

Encs. 2

58-2000-1405

Edward Scheidt

cc Chicago (encs. 2) AMSD

EDWARD SCHEIDT, SAC

MAY 28 1948

RECORDED - 25

INDEXED - 25

62 JUN 21 1948

58-4961

TONY RICCI

During the period May 1, 1948 to May 7, 1948, inclusive, the telephone calls made and received over the phone in the apartment of TONY RICCI were mainly concerned with social and personal activities on his part.

The following calls, however, may possibly be of some significance:

On May 2, 1948 at 2:30 P.M. TONY RICCI called a man by the name of "LIPPY" (phonetic). RICCI told LIPPY to leave something with CHARLIE the following afternoon. LIPPY said he didn't think he would be there "after this week" because he was going to sell out stating "as I told you it's in the deal with PHIL (phonetic) about Monday or Tuesday.....I'm going to let them buy me out." To this RICCI said "Suppose we can't buy you out?" The subject of conversation was apparently a bar or tavern owned by this "LIPPY" and his associate, one "ABBY" (phonetic).

On May 3, 1948 at 10:05 AM TONY RICCI called TONY COPPOLA. RICCI stated that a friend of his by the name of THOMAS SAVINO (phonetic) had a builder construct a garage at 422 Rodney Street, Brooklyn, New York but the builder had failed to get a permit from the B uilding Department (of the City). The Building Inspectors had given him a summons and at first ordered him to tear it down. They later told him not to tear it down and they would see what they could do. RICCI told COPPOLA that he felt if COPPOLA "got the right guy" in the Building Commissioner's office they "could issue a permit now and make believe you know." COPPOLA stated he would contact "JOE, the Superintendent." RICCI wanted an answer on it that day. COPPOLA stated that"he was not sure what department of the City would handle it - The Building Department or the Planning Commission." At any rate, he stated, he could handle it.

On May 5, 1948 at 11:27 AM CLEO RICCI received a call from a party believed to be HOPE FARRIS. The latter called from outside her apartment. HOPE stated that she would drop over and see CLEO. They made a date for 1:00 PM.

On May 5, 1948 at 12:06 PM CLEO RICCI called a woman possibly named "BILLY" (phonetic). The latter is apparently a dress designer by occupation and is going to close up and sell her apartment and furniture in Chicago for $2500.00. CLEO and BILLY planned to meet on Friday. CLEO

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/1/95 BY SRSC/cw

cc: Dept 5/20/48
ENC: yes

ENCLOSURE

58-2000-1405

mentioned that her brother who is a bachelor might be interested in the apartment but not the furniture. He is still living with their sister until he finds a place.

On May 7, 1948 at 10:32 AM a person believed to be TONY COPPOLA called TONY RICCI. Their conversation was conducted in both English and Italiah. COPPOLA stated that he had "been in to see that bum and he told me that he wanted a couple of days on it - he was going to see the Inspector and every damn thing - the building - you know what I mean." TONY RICCI to this asked "How does it look?" COPPOLA answered "In a way he didn't say no." COPPOLA indicated he had told him that RICCI was interested and he said that he would see what he could do. They then discussed efforts that COPPOLA had expended to handle some problem regarding "that transportation thing." He had his contact have a woman named "MOLLY" look up something for him and a party named "DALEY" (phonetic) also was working on it. COPPOLA stated that he would follow both the "building" and "transportation" matters on Monday. Following this COPPOLA and RICCI began to talk in Italian. The conversation was not clear and was garbled in spots.

The gist of the conversatinn is as follows:

COPPOLA declared that on the previous evening "the Inspector" had taken him out to dine at a restaurant. During the dinner the Inspector told COPPOLA he was looking for "that job" and COPPOLA told him "they" were doing all right in this matter. The inspector, however, declared he wanted to get it as soon as possible so COPPOLA "took him to speak to JOE and JOE said all right." JOE had told them that he was "going to try to do it." During the dinner also the Inspector had inquired about COPPOLA'S "friend" (meaning undoubtedly TONY RICCI). The Inspector had declared "I know he's doing all right." RICCI, however, denied this vehemently stating in regard to the Inspector "He's got us murdered there." COPPOLA appeared surprised. RICCI stated "I'd like to see him. I'd like to get straightened out over there." To this COPPOLA stated "Monday or Tuesday everything will change. He will get the job of Chief Inspector of Police in Brooklyn. He wants that. I spoke to JOE and JOE says he is going to try to do it for him.....we'll see what the h___ happens between now and Tuesday, TONY, and then we'll go right out there and get him to come down."

PERSONAL & ~~CONFIDENTIAL~~

Mr. Peyton Ford
The Assistant to the Attorney General

May 20, 1948

Director, FBI

LOUIS CAMPAGNA, was, et al
EXTORTION; PAROLE MATTERS

I am enclosing herewith copies of memoranda reflecting the results secured from the technical surveillances which were installed at your request in this matter. Copies of these memoranda have been made available to the U. S. Attorney at Chicago.

RECORDED - 63
EX-13

58-2000-1406

Enclosures

CAE:VPM
58-2000

COMMUNICATIONS SECTION
MAILED 12
MAY 21 1948 P.M.
FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Kohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Gandy

United States Department of Justice
Federal Bureau of Investigation

New York, New York

IN REPLY, PLEASE REFER TO
FILE No. _____

May 13, 1948
~~CONFIDENTIAL~~

Director, FBI

Attention: Assistant Director A. Rosen

Re: LOUIS CAMPAGNA, was., etal
BRIBERY, PAROLE MATTERS

Dear Sir:

Rebulet 1/17/48 and mylet 5/4/48.

There are enclosed herewith appropriate copies of a blind memo captioned "HOPE FARRIS" covering data obtained from Confidential Informant NYT 466 during the period May 1, 1948 to May 7, 1948 inclusive.

It is noted that during the period covered by this memo there was a total of 3(telephone calls made and received over this phone.

~~DEFERRED RECORDING~~

Very truly yours,

Edward Scheidt EHH

EDWARD SCHEIDT, SAC

Encs. 2

cc Chicago (enc.2) AMSD

DECLASSIFIED BY SP5C/ca
ON 3/1/95

CAD:HMJ
58-490

RECEIVED
RECORDED - 65
INDEXED - 65

58-2000-1406

19 MAY 28 1948

EX-13

HOPE FARRIS

During the period May 1, 1948 to May 7, 1948 inclusive there were only three calls made or received over the telephone at the residence of HOPE FARRIS, 101 Cooper Street, New York, N.Y. These calls were of no possible interest or significance. It is noted that on May 5, 1948 when HOPE FARRIS telephoned CLEO RICCI and engaged in a personal conversation she utilized an outside phone.

cc Dept. 5/20/48
CAE:kpm

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/11/93 BY SP5CA/CAD

ENCLOSURE
58-2000-1406

United States Department of Justice
Federal Bureau of Investigation
CHICAGO, ILLINOIS

IN REPLY, PLEASE REFER TO
FILE No. 58-194

May 10, 1948

~~CONFIDENTIAL~~

AIR MAIL - SPECIAL DELIVERY

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

Encl 1

Director, FBI

Attention: Assistant Director A. ROSEN

Re: LOUIS CAMPAGNA, was, et al.
BRIBERY; PAROLE MATTER

Dear Sir:

CONF. INFT.

There are enclosed copies of a blind memorandum entitled, "LOUIS CAMPAGNA," covering data obtained from CGO-5681, during the period May 1 through May 7, 1948. One copy of this memorandum was furnished to the United States Attorney, OTTO KERNER, JR., on May 10, 1948, in accordance with the instructions contained in Bureau letter of January 17, 1948. ~~DEFERRED RECORDING~~

It is noted that during the period covered by this memorandum there was a total of twenty-five calls made and received over the telephone at the residence of LOUIS CAMPAGNA. Sixteen of these calls were outgoing and the remaining nine were incoming calls.

Very truly yours,

G. R. McSWAIN
SAC

3 ENCL
Enc. (3)

1 cc Baltimore 5/25

cc-New York (Enc. 2) - AMSD

DECLASSIFIED BY SP5 C/cw
ON 3/1/95

RER:RGB
58-194

RECORDED - 25
INDEXED - 25

158-2000-1407

19 MAY 28 1948

6 JUN 10 1948

LOUIS CAMPAGNA

There were considerably less calls made and received at the residence of LOUIS CAMPAGNA during the period May 1 through May 7, 1948 than in the previous period. The majority of these calls involved personal and social matters and problems relating to the farms. The following calls may possibly be of some significance.

About 10:00 A. M., on May 1, 1948 one HUGO called the CAMPAGNA residence and talked to DOROTHY (CAMPAGNA) CHARLES. HUGO asked DOROTHY what time her mother would be home and DOROTHY replied that she did not expect her home for a long time. HUGO said he wanted to talk to her today and DOROTHY said her mother would not be home for several weeks. HUGO said he wanted some "information."

On May 4, 1948, the maid in conversation with a drycleaning establishment stated that Mrs. COOKE is out of town and will be out of town until about the end of the month. It is noted that in many of the calls of Mrs. CAMPAGNA she refers to herself as Mrs. COOKE.

About 6:00 P.M. on May 4, 1948, DOROTHY (CAMPAGNA) CHARLES talked to her father, LOUIE CAMPAGNA at Berrien Springs, Michigan. Plans were made for JOANNE, another daughter, to come to Berrien Springs with her girl friend, by train, and mention was made that CAMPAGNA's brother and wife, as well as MIKE (MARCHESE) would be up Sunday. DOROTHY told LOUIE that an 8 mm. movie projector came there and she wanted to know if he knew anything about it. CAMPAGNA seemed very surprised and said he did not know anything about it. DOROTHY asked her father's advice about getting a new car, stating she had been over to see JOE BERGYL and that JOE had lost the sight of one eye due to a stroke of some kind. DOROTHY told her father that the new Convertibles wouldn't be in for three or four months, but that she can have a high-top (?) coupe now, use it for three months and then trade it in for a convertible when they come out. LOUIE suggested that if her car was operating all right that she should wait the three months, otherwise they would make a profit on her twice. LOUIE CAMPAGNA told DOROTHY to call GEORGE PAVLICEK and tell him that the fellow who was supposed to call from International Harvester about a tractor did not call. The tractor about which LOUIE was talking was a "W-9". CAMPAGNA also told Dorothy to get in touch with JIMMY ADDUCI and tell him that he has heard no more about the tractors.

It is noted that GEORGE PAVLICEK is employed by JOE BERGYL, automobile dealer, Cicero, Illinois.

-1-

Re: LOUIS CAMPAGNA

At 6:00 P.M., on May 5, 1948, one LOUIE called the CAMPAGNA and asked for "Aunt CHARLOTTE." DOROTHY (CAMPAGNA) CHARLES told the caller that her mother was at the farm and are not coming in until the end of May.

At 8:00 P.M. on the same day SONNY SHEETZ called the CAMPAGNA residence and DOROTHY told him that her folks were out on the farm in Michigan. SONNY inquired as to how JOE (CAMPAGNA) was getting along down there and mentioned that MARGARET's husband, PHIL, got JOE to join the Country Club. He mentioned, "The other guy didn't do anything. You know who I mean."

About 4:30 P.M. on May 6, 1948 DOROTHY (CAMPAGNA) CHARLES called Yance's Tavern, 5129 25th St., Cicero, and asked for Mr. PAVLICEK. He was not in.

At 6:30 P.M. on May 7, 1948 DOROTHY CHARLES talked to her father, LOUIE CAMPAGNA at Berrien Springs, at which time she told him that she had called KATZ (phonetic spelling) and that he was put out about the fact that the man had not called LOU. LOUIE told DOROTHY that it would be all right for this man to call him at the farm. DOROTHY also told her father that Father CANNING had called and he thinks everything will be all right although he asked for a little more information about BETTY LOU from JOANNE. (BETTY LOU is apparently a friend of JOANNE CAMPAGNA who they are trying to get into Northwestern University.) DOROTHY also told her father she could not get ahold of LIL (ADDUCI) because their telephone number was not listed. LOUIE gave it to her as Chesapeake 9595. (Unlisted number for JAMES ADDUCI, 2250 W. Jackson, Chicago, Illinois.)

United States Department of Justice
Federal Bureau of Investigation
CHICAGO, ILLINOIS

IN REPLY, PLEASE REFER TO
FILE No. 58-194

May 10, 1948

~~CONFIDENTIAL~~

AIR MAIL - SPECIAL DELIVERY

Director, FBI

Attention: Assistant Director A. ROSEN

Re: LOUIS CAMPAGNA, was, et al
BRIBERY; PAROLE MATTER

Dear Sir:

There are enclosed copies of a blind memorandum captioned, "JOSEPH FUSCO," covering the data obtained from CONF. INFT. CGO-5684 during the period May 1 through May 7, 1948. One copy of this memorandum was furnished to the United States Attorney, OTTO KERNER, JR., on May 10, 1948 in accordance with the instructions contained in Bureau letter of January 17, 1948.

It is noted that during the period covered by this memorandum there was a total of two calls, both outgoing, made over the telephone at the residence of JOSEPH FUSCO.

Very truly yours,

G. R. McSWAIN
SAC

Enc. (3)

cc-New York (Enc. 2) - AMSD

RER:RGB
58-194

DECLASSIFIED BY SP5A/cw
ON 3/1/95

RECORDED - 25
INDEXED - 25

58-2000-1408
F H I
19 MAY 28 1948

JOSEPH FUSCO

It is noted that during the period May 1 through May 7, 1948 there were only two out-going calls made over the telephone at the residence of JOSEPH FUSCO. Both calls were made by women, one of which was named IRENE and not further identified. These calls were of no possible significance or interest.

ENCLOSURE
51-2000-140X

United States Department of Justice
Federal Bureau of Investigation
CHICAGO, ILLINOIS

IN REPLY, PLEASE REFER TO
FILE No. 58-194

May 10, 1948

~~CONFIDENTIAL~~

AIR MAIL-SPECIAL DELIVERY

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Clarence
Mr. Carbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

Director, FBI

Attention: Assistant Director A. ROSEN

Re: LOUIS CAMPAGNA, was, et al.
BRIBERY; PAROLE MATTER

Dear Sir:

There are enclosed copies of a blind memorandum captioned "PAUL DeLUCIA," covering data obtained from CONF. INFT. CG-5680 during the period May 1 through May 7, 1948. One copy of this memorandum was furnished to the United States Attorney, OTTO KERNER, JR., on May 10, 1948, in accordance with the instructions contained in Bureau letter of January 17, 1948.

~~DEFERRED RECORDING~~

It is noted that during the period covered by this memorandum there was a total of forty-seven calls made and received over the telephone at the residence of PAUL DeLUCIA. Thirty-two of these calls were outgoing and fifteen were incoming calls.

Very truly yours,

G. R. McSWAIN

3 ENCL
Enc. (3)

cc-New York (Enc.2) - AMSD

RER:RGB
58-194

DECLASSIFIED BY 5850/ar
ON 3/19/[illegible]

RECEIVED

RECORDED - 25

INDEXED - 25

58-2000-14009

19 MAY 28 1948

PAUL DeLUCIA

There were considerably more calls made and received at the residence of PAUL DeLUCIA for the period May 1 through May 7, 1948 than in the previous period, and the majority of these calls pertained to family and social matters and some matters pertaining to the farm. The following calls may be of some significance.

Around noon on May 1, 1948 NANCY DeLUCIA called Dr. WALTER LAWRENCE's Office, Physician, in River Forest, Illinois. The Doctor was not in and NANCY will try and call him at the West Suburban Hospital in Oak Park, Illinois.

On May 2, 1948 around noon, PAUL DeLUCIA called his son-in-law, BEN PONZIO. BEN told PAUL that Mrs. DeLUCIA was sick and that he is coming out to the farm this afternoon to bring someone back. PAUL suggested to BEN that he ask the man next door if he wanted to go along for the ride.

About 2:00 P.M. on May 3, 1948 Mr. COLOSIMO, Parole Officer, Chicago, called NANCY DeLUCIA. Mr. COLOSIMO said, after exchanging greetings, "Say, listen, I got a lady, a young lady by the name of Miss ANGELA RICCA calling from St. Louis. Has Mr. DeLUCIA got a sister?" NANCY said, "No, not here. He always said he had one in Italy." Mr. COLOSIMO said, "She said she's his sister from St. Louis." NANCY said, "His name is not RICCA--his name is DeLUCIA..... She's full of baloney." She added, "I don't know where they get that name RICCA." Mr. COLOSIMO told NANCY, "I'm not giving out any information--see," and NANCY told him to tell the lady the name is DeLUCIA and not RICCA but COLOSIMO said he is not even going to tell her that much. He said he would just tell her that he doesn't want to talk to her. NANCY mentioned that PAUL is out at the farm. COLOSIMO said, "Well, regardless, he doesn't want to talk to her," and NANCY said, "No, I doubt it very much."

Immediately after receipt of the above call PAUL DeLUCIA called his wife, NANCY. They engaged in a general conversation concerning NANCY's health. It is mentioned that NANCY DeLUCIA did not mention Mr. COLOSIMO's call to PAUL.

In the evening of May 4, 1948 PAUL DeLUCIA called the residence of AURELIO GRIDELLI, 5243 West Congress, and asked if HUGO was there. The woman answering the phone said he was not, and inquired if PAUL wanted to talk to AURELIO. PAUL and AURELIO exchanged greetings in Italian and PAUL asked him to find HUGH and have him call Paul.

In the morning of May 5, 1948 PAUL DeLUCIA talked to one JOE.

3/1/95 SPSC/ad

Re: PAUL DeLUCIA

PAUL asked JOE when he was going down town. JOE said he was leaving in a few minutes and PAUL told him to stop by the house.

About forty minutes later PAUL DeLUCIA again called this same JOE and inquired as to how much longer it would be before he arrives. He said that he had some persons at the house that he wanted JOE to see. JOE said he would be right over as soon as he got his shot from the Doctor.

In the afternoon of May 5, an unknown man called the DeLUCIA residence and asked for "The Mister." CATHERINE, the maid answering the phone, told the caller that PAUL DeLUCIA was in the city but was not at home at that time.

About 9:20 A.M. on May 6, 1948, PAUL DeLUCIA called WILLIE BELMONTE. After exchanging greetings PAUL said, "I finally -- the other things. When you want to get them?" WILLIE said, "I'll pass by -- you leaving today?" PAUL said he was, and asked, "Did you ask that guy? What did he say? You know--them things I give you?" WILLIE said, "That will be taken care of Paul," and Paul said, "Well, I got mine too now. I had them here." WILLIE said, "Well, I'll pick it up... I might pick it up tonight." PAUL said in Italian, "I won't be here tonight...I'll leave it with NANCY anyhow..... (In Italian) Go see JOE. He asked about you. He's finished--so go there." WILLIE said, "All right." In Italian Paul asked, "Understand?" and WILLIE said he did. PAUL then continued, "What will I do, leave it with NANCY? I'll tell you what I'll do--I'll leave them on the bed. Then you take care of it."

About 6:00 P.M. on May 5th BEN PONZIO talked to TONY DeLUCIA at Lisbon, Illinois. BEN asked TONY to tell PAUL that JIMMY AMORINO wanted to talk to him. JIMMY AMORINO then talked to PAUL DeLUCIA. JIMMY said he was having some trouble with the plumbing and PAUL told him to leave it alone. PAUL said that the first good day that came along JIMMY should come down to the farm.

About 2:00 P.M., May 7, 1948, MARIE PONZIO called the New York Central Railroad and made reservations for two on the 11:10 train that night to Ashtabula, Ohio, receiving Drawing Room A, Car 2908, Train 290.

Around 3:00 P.M. on May 7th GUIDO called PAUL DeLUCIA at his farm near Lisbon, Illinois. PAUL asked GUIDO, "Did you give that thing to FRANKIE?" and GUIDO said it is all taken care of, that they got some more chain.

About 4:30 P.M. on May 7th WILLIE BELMONTE called and talked to

MARIE (DeLUCIA) PONZIO. WILLIE said he would not be able to come in tonight. WILLIE then talked to NANCY DeLUCIA. WILLIE said, "I was there this morning, Nan," and NANCY said, "Yeah? Take care of it?" WILLIE said, "I don't know-what was it?" NANCY said, "You were here? TONY brought it to your wife." WILLIE said, "Well, then GUIDO called me to be there this morning." NANCY said, "No, I told TONY--they never do what I tell them. I told TONY to tell your wife not to come here." WILLIE said, "But then GUIDO called me last night at 6:30 and told me to be there this morning." He continued, "OK then, I got that. There's no need to worry about it." NANCY said, "That's all it was" and WILLIE said, "Well, I didn't know. I thought it was something else that you wanted." NANCY said, "No, because PAUL asked me if I had taken care of that and I said, "Yeah, I sent TONY out to the house with it."

THE ATTORNEY GENERAL

June 9, 1948

Director, FBI

LOUIS CAMPAGNA, was., et al
EXTORTION; PAROLE MATTERS

With reference to your telephonic request last evening that Mr. George McSwain, Special Agent in Charge of the Chicago Division of this Bureau, arrange interviews with Mayor John C. Stoffel and Chief of Police Joseph V. Horejs of Cicero, Illinois, I thought that you would wish to have a copy of the teletype summary submitted this morning covering these interviews.

Enclosure

58-2000
CAE:gjb

C.I.R. 9

RECORDED - 141

58-9000-1410

SENT FROM D. O.
TIME 1:20 PM
DATE 6-9-48
BY RP

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Ovegas
Miss Gandy

JUN 17 1948

RECEIVED READING ROOM
FBI
U.S. DEPT OF JUSTICE

JUN 9 11 33 AM '48

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. E. A. Tamm

DATE: 6-4-48

FROM : A. Rosen

SUBJECT: LOUIS CAMPAGNA, was, etal
BRIBERY; PAROLE MATTERS

Call: 5:00 PM

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Holmes
Miss Gandy

SAC McSwain of the Chicago Division called concerning instructions which were issued to ASAC Hosteny this afternnon in the above matter.

Mr. McSwain advised they are sending in a wire covering all developments of this afternoon and that he was suggesting that the Bureau consider the most recent developments in the light of the instructions which had previously been issued in order that the Bureau would have the full and complete picture. I told him we would await his wire and issue instructions upon the full facts which he states are being gathered for transmittal of a wire to the Bureau.

G. I. R. -9

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/1/95 BY SP5 a/aw

RECORDED - 85 52-20000-1411

FBI

21 JUN 8 1948

RECEIVED

AR:FE

EX-63

52 JUN 16 1948

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

JUN 2 1948

CONF 2 STATIONS TELEMETER

WASH 4 CHICAGO 1 FROM LOS ANGELES 2 12-10 PM

DIRECTOR AND SAC URGENT

LOUIS CAMPAGNA, WAS, ET AL, BRIBERY-

CONF INFT

PAROLE MATTERS. REBUTEL MARCH FIFTEENTH LAST. GCD-TWENTYFOUR ADVISED YESTERDAY ROSELLI FIRST APPEARED IN HIS STUDIO OFFICE IN THE AFTERNOON WITH A SMALL CHILD, IDENTITY OF CHILD UNKNOWN. SUBSEQUENTLY, HE MET WITH CHARLEY FOY AND DISCUSSED THE POSSIBLE SALE OF THE USED AUTOMBILE WHICH ROSELLI IS SELLING. ROSELLI ASCERTAINED LATER THAT ONE OTTO SMITH, WHOSE IDENTITY HE COULD NOT RECALL, HAD BEEN ATTEMPTING TO CONTACT HIM AT THE EAGLE LYON STUDIO. INFORMANT FURNISHED NO OTHER INFO YESTERDAY.

HOB

END ACK PLS

G. I. R. -9

RECORDED - 119 58-2000-1412

INDEXED - 119 29 JUN 7 1948

51 JUN 24 1948

EX-36

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

JUN 1 1948

TELEMETER

CONF WASH 4 AND CGO 1 FROM LOS ANGELES 1 11-50 AM

DIRECTOR, SAC, CHICAGO URGENT

LOUIS CAMPAGNA, WAS., ET AL, BRIBERY-PAROLE MATTERS.

REBUTEL MAY FIFTEEN LAST. GCD TWENTY-FOUR ADVISED THAT ROSELLI DID NOT APPEAR AT HIS STUDIO OFFICE YESTERDAY OR THE DAY BEFORE.

HOOD

ACK PLS

RECORDED - 58

158-2000-1413

FBI

EX-3

29 JUN 5 1948

57 JUN 23 1948

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/1/95 SP5C/CW

BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

MAY 27 1948

TELEMETER

2 cys Km
WA Rdj

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/11/98 BY SP5CA/AW

CONF 2 STATIONS

WASH 3 CGO 3 FROM LOS ANGELES 27 8-03 P

DIRECTOR AND SAC URGENT

58-2000 1/11/94

LOUIS CAMPAGNA, WAS., ET AL, BRIBERY, PARDON MATTERS. REBUTEL MARCH FIFTEEN LAST. GCD DASH TWENTYFOUR ADVISED YESTERDAY ROSELLI CONTACTED HARRY COHN, PRES. OF COLUMBIA PICTURES BY TELEPHONE. COHN ADVISED ROSELLI THAT HE HAD NOT BEEN ABLE TO CONTACT HIM BY PHONE. ROSELLI STATED HE HAD HAD HIS NAME TAKEN OFF STUDIO LIST ~~BECAUSE~~ BECAUSE MANY PERSONS WERE CALLING HIM FOR JOBS. ~~ROSELLI~~ ROSELLI SAID HE WOULD CALL COHN IN THE NEXT FEW DAYS AND CONCLUDED CONVERSATION BY SAYING, "ALL RIGHT, BOY." IMMEDIATELY ~~THEREAB~~ THEREAFTER, FATHER JOSEPH THOMPSON, ROSELLI-S PAROLE ADVISOR, APPEARED AT ROSELLI'S STUDIO OFFICE. ROSELLI TOLD HIM THAT HE HAD ~~JOSE~~ JUST BEEN TALKING TO HIS GOOD FRIEND HARRY COHN AND HAD MET HIM AT THE PRIZE FIGHTS THE NIGHT BEFORE. THOMPSON MADE MENTION OF A CONGRESSIONAL INVESTIGATION BEING CONDUCTED, ~~BUD~~ BUT DID NOT IDENTIFY INVESTIGATION OR ELABORATE FURTHER. THOMPSON COLLECTED SOME PHOTOS BEING MADE BY ROSELLI THROUGH JOE BREEN, JR. AND GEORGE TEAGUE AT E. L. STUDIO. IDENTITY OF PHOTOS UNKNOWN., BUT BELIEVED ARE BEING MADE INTO SLIDES FOR LECTURES BEING GIVEN BY FATHER THOMPSON. ROSELLI MET WITH FRANK DESIMONE, ATTORNEY, AND DISCUSSED MOTION PICTURE PRODUCTIONS IN PRESENCE OF ~~CHRX~~ CHARLEY FOY AS WELL. ROSELLI NOW ~~CONSIDR~~ CONSIDERING TITLE FOR NEW MOTION PICTURE AS "EGOMANIA AGAINST THE LAW". HE DISCUSSED THE CRIME PLOTS OF MOT[illegible]CTURES "TH[illegible]" [illegible] CLUES" AND "[illegible]"

58-2000-1414

The Attorney General

June 7, 1948

Director, FBI

LOUIS CAMPAGNA, WAS, ET AL
[illegible]
PAROLE MATTER

Further reference is made to my memorandum of May 20, 1948, furnishing you with the results of investigation conducted with reference to the alleged activities of Tony Lizzo, Kansas City hoodlum, and Warden Walter Hunter, U. S. Penitentiary, Leavenworth, Kansas.

For your additional information in this matter I am enclosing herewith a copy of a report prepared by Special Agent Raymond W. Radford, at Kansas City, dated May 20, 1948.

Enclosure

CAE:AL
58-2000

3/1/95 SPS:cl/cw

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U.S. DEPT. OF JUSTICE
JUN 8 2 31 PM '48

FBI
JUN 8 1 23 PM '48

RECORDED - 47
INDEXED - 47
58-2000-1415

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Gandy

SENT FROM D. O.
TIME 9:00 AM
DATE 6-9-48
BY [illegible]

7 JUN 17 1948

Rec'd 6:00 PM
nw/1a

FEDERAL BUREAU OF INVESTIGATION
U.S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

JUN 5 1948

TELEMETER

Rosen

CONF WASH 2 AND CGO 1 FROM LOS ANGELES 5 12-20 PM

DIRECTOR AND SAC CHICAGO URGENT

LOUIS CAMPAGNA, WAS., ET AL, BRIBERY, PAROLE MATTERS.

REBUTEL MARCH FIFTEEN, LAST, INFO FROM GCD DASH TWENTY-FOUR YESTERDAY WAS NEGATIVE.

HOOD

~~CONF. INFT~~

ACK PLS

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/1/55 BY SP5A/CAD

G.I.R.-9

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INDEXED - 23 31 JUN 8 1948

EX-36

53 JUN 18 1948

THE ATTORNEY GENERAL

June 9, 1948

Director, FBI

RECORDED - 37

58-2000-1417

LOUIS CAMPAGNA, was., et al
BRIBERY; PAROLE MATTERS

I wish to call to your attention additional investigation requested in this case by Mr. Otto Kerner, Jr., U. S. Attorney at Chicago.

Mr. Kerner has told our Chicago Division that he desires the six prisoners, who were released from Leavenworth Penitentiary at the same time as the subjects of this investigation were released, to be interviewed in minute detail concerning their actions on the day previous to their paroles. Photographs of the subjects of this investigation are to be shown to these prisoners to determine if they can identify any of the subjects as having ridden with them on the prison bus from the penitentiary to Leavenworth, Kansas, on August 13, 1947. Mr. Kerner advised he desired this investigation since he is now of the opinion that possibly the subjects of this case who were confined at Leavenworth may have been released the day prior to that shown on the prison records.

In accordance with your previous instructions, all requests for investigation in this case by Mr. Kerner are given prompt attention.

SENT FROM D. O.
TIME 11 AM
DATE 6-10-48
BY

15

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JUN 9 6 32 PM '48

58-2000
CAE:gjb

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Gandy

JUN 17 1948

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : MR. E. A. TAMM

DATE: June 9, 1948

FROM : A. ROSEN

SUBJECT: LOUIS CAMPAGNA, was, et al
BRIBERY; PAROLE MATTERS

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/1/95 BY SP5 alw

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Holmes
Miss Gandy

PURPOSE

To advise you of additional investigation requested in this case by USA Kerner of Chicago.

FACTS

At the request of USA Kerner, Special Agents conducting investigation in this matter at Chicago and Kansas City conferred with him. Mr. Kerner orally advised these Agents with reference to [redacted] He particularly referred to [redacted] would have the benefit of [redacted] in conducting any further investigation requested by Mr. Kerner. At his request Mr. Kerner was furnished information to assist him in understanding and appraising the witnesses interviewed at Kansas City. b3

USA Kerner is of the opinion that possibly the subjects in Leavenworth Penitentiary were actually released on August 12th rather than August 13, 1947. Mr. Kerner's opinion in this regard is based upon speculation with reference to the activities of subjects following their release from Leavenworth Penitentiary and is directly opposed in the [redacted] b3

RECORDED - 31
INDEXED - 31
58-2000-1417
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ADDITIONAL INVESTIGATION REQUESTED

Mr. Kerner requested that six prisoners who were scheduled to be released at the same time as subjects from Leavenworth Penitentiary be interviewed in minute detail concerning their actions on the day previous to their paroles. These prisoners were to be shown photographs of subjects to determine if they could identify the parolees as leaving Leavenworth Penitentiary with them and riding together in the bus to Leavenworth, Kansas. This is the only specific investigation requested although Mr. Kerner mentioned that possibly the following investigation would be requested thereafter:

1. Interview Chicago Attorney Shapiro to determine if Shapiro together with Subject D'Andrea following the latter's release from the Medical Center for Federal Prisoners, Springfield, Missouri, traveled to Kansas City to join the other parolees in the airplane trip to Chicago.

2. Determine the identity, reputation and background of one Hillory or Hillary Mane. Mr. Kerner advised that while discussing the

58-2000
CAE:gjb

identity of "Mike Ryan" (the individual who paid Maury Hughes, Texas attorney, his fee for representing subjects and who is unidentified) with Hughes, it was mentioned by the latter that Mane, an individual in San Antonio, Texas, with a criminal record, had possibly sent Ryan to him.

ACTION

There is attached a suggested letter to the Attorney General advising him of the requested investigation.

The investigation specifically requested by Mr. Kerner is being expeditiously conducted.

Attachment

Mr. Peyton Ford
The Assistant to the Attorney General
Director, FBI

June 16, 1948

RECORDED - 45
EX-27
62-3000-1418

LOUIS CAMPAGNA, with aliases, ET AL
BRIBERY; PAROLE MATTERS

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE DATE 3/11/93 BY SP5 a/cw

With reference to the request contained in your memorandum of June 10, 1948 that investigation be conducted concerning the present employment of Subject Charles Gioe, the following information has been obtained.

Paul Mann of the Consolidated Wire and Associated Industries, 1635 South Clinton Street, Chicago, Illinois, advised that Gioe is presently handling the Tote Brush, Inc. for him. Mann stated that this was a separate corporation in which Mann had invested funds. He further indicated that Gioe had been a salesman for the Consolidated Wire and Associated Industries. Because of the publicity afforded this case in the Chicago newspapers, Gioe expressed a desire to Mann to cease this type of activity. Mann stated he told Gioe that he would keep him and they would find some enterprise in which to enter. Mann said that the Tote Brush, Inc. is located at 2411 North Clybourn Avenue, Chicago. This is the former address of the Gem Die Mold Company. Mann further advised that Tote Brush, Inc. was incorporated on April 13, 1948 at which time the corporation took over the assets and general business of the Gem Die Mold Company. The only actual change was the name of the company and the fact that the manufacture of Tote Brushes rather than fabricated dies was commenced. Mann stated he had informed the Gem Die Mold Company that they should get into the brush business, since the die business was a losing venture. According to Mann he had no interest in the Gem Die Mold Company prior to April 13, 1948 on which occasion this company was changed to the Tote Brush, Inc. At this time Mann invested funds in the latter company and advised that Gioe sat in the negotiations concerning this change prior to April 13, 1948. Since that time Gioe has been handling the affairs of the Tote Brush, Inc. for Mann.

If there is any further investigation which you desire in connection with the employment of Subject Gioe, will you so advise. The information noted above is being incorporated in an investigative report, a copy of which will be furnished to the United States Attorney at Chicago.

The request contained in your memorandum of June 10 that the Bureau obtain a copy of the section of the Los Angeles Municipal Code relating to the registration of convicted felons is being afforded prompt attention. This section of the code will be forwarded to you immediately upon its receipt in Washington.

In accordance with your request, this Bureau has made available to the United States Board of Parole copies of the investigative reports listed in your memorandum of June 10, 1948.

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Candy

COMMUNICATIONS SECTION
MAILED 28
JUN 17 1948 P.M.
FEDERAL BUREAU OF INVESTIGATION
U.S. DEPARTMENT OF JUSTICE

JUL 2 1948

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FBI
DEPT. OF JUSTICE

SAC, Chicago

June 16, 1948

Director, FBI

LOUIS CAMPAGNA, with aliases, ET AL
BRIBERY; PAROLE MATTERS

Reurtel June 15, 1948.

The information reported in reference teletype should be incorporated in your next investigative report, a copy of which should be forwarded to the U. S. Attorney at Chicago.

If the Department requests any further investigation relative to the employment of Subject Gioe, you will be so advised.

[redacted]

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/11/95 BY SP5 CAE/LW

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58-2000 - 1418

CAE:LS

COMMUNICATIONS SECTION
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JUN 17 1948 P.M.
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U. S. DEPARTMENT OF JUSTICE

JUN 16 6 06 PM '48
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U.S. DEPT. OF JUSTICE

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Gandy

F B I
[illegible]
JUN 21 1948

68

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

Mr. Tolson
Mr. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Mr. Reese
Miss Gandy

TO : J. Edgar Hoover, Director,
Federal Bureau of Investigation

DATE: June 10, 1948

FROM : Peyton Ford
The Assistant to the Attorney General

SUBJECT: Louis Campagna et al; Parole Matters.

In a letter dated February 10, 1948, Charles Gioe requested permission of Charles W. Fisher, Chief U.S. Probation Officer, Chicago, Illinois, to change his employment. Such permission has not been granted to date. Inasmuch as Condition 11 (Parole Form No. 17) under which Gioe's parole was granted provides that the parolee shall not change his place of employment until he has received permission to do so from his probation officer, it is requested that the Bureau ascertain whether Gioe has changed his place of employment.

It is also requested that the Bureau obtain a copy of the section of the Los Angeles Municipal Code, relating to the registration of convicted felons, with which it appears that John Roselli has failed to comply.

It is also requested that the Bureau make copies of the following reports available to the Board of Parole:

Report made at Washington, D. C., 10-4-47 by Carl E. Hennrich, (pages 6, 7, 8).

Report made at Chicago, Illinois, 10-3-47 by Wayne S. Murphy, (pages 6, 7).

Report made at Chicago, Illinois, 10-2-47 by Wayne S. Murphy (pages 29, 30, 31, 32).

Report made at San Diego, California, 5-1-48 by Harold P. Higgins.

Report made at Los Angeles, California, 4-2-48 by Frederick E. Roderick.

Ltr to U.S. Bd of Parole 6-16-48 CAE

RECORDED - 41 58-2000-1418

37 JUN 11 1948

Ltr sent SAC's Chicago & LA 6/14/48 - CAE

Letter Peyton Ford 6-16-48 to U.S. Bd of Parole CAE

ALL FBI INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/1/95 BY SP5A/aw

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

JUN 9 1948

TELEMETER

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Mr. Tolson
Mr. Ladd
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

WASH 1 FROM CGO 6-8-48 12-15 AM

DIRECTOR ATTENTION MR. A. ROSEN VERY URGENT

LOUIS CAMPAGNA, WAS, ETAL, BRIBERY, PAROLE MATTERS. REFERENCE IS MADE TO TELEPHONIC COMMUNICATION RECEIVED BY ME TODAY FROM MR. LADD ASKING THAT I INTERVIEW MAYOR JOHN C. STOFFEL AND CHIEF OF POLICE JOSEPH V. HOREJS OF CICERO, INASMUCH AS THE ATTORNEY GENERAL HAD RECEIVED A PRESS INQUIRY FROM A REPORTER BY THE NAME OF LEACH AT WASHINGTON, DC WHO WAS ACTING ON TELEPHONIC INSTRUCTIONS RECEIVED FROM A MR. WALTERS OF THE DAILY NEWS OF CHICAGO TO CHECK WITH THE ATTORNEY GENERAL FOR INFORMATION REGARDING THE ALLEGED THREATS MADE AGAINST MAYOR STOFFEL AND CHIEF OF POLICE HOREJS INASMUCH AS IT WAS INDICATED THAT THE THREATS TO THESE INDIVIDUALS WERE BELIEVED TO BE FROM THE FOUR PAROLEES INVOLVED IN THE CAPTIONED MATTER - THAT IF THE MAYOR OR CHIEF OF POLICE OF CICERO WERE HARMED IN ANY WAY, THAT THE ATTORNEY GENERAL WOULD BE BLAMED FOR THIS IN VIEW OF THE FACT OF HIS ACTION WITH RESPECT TO THE PAROLEES. FOR THE INFORMATION OF THE BUREAU I ADVISED TELEPHONICALLY, FOLLOWING MY PHONE CONVERSATION WITH MR. LADD, CONCERNING NEWSPAPER ITEMS IN THE CHICGO PRESS TODAY CARRYING STORIES REGARDING THE THREATS RECEIVED BY MAYOR STOFFEL AND CHIEF OF POLICE HOREJS. BASED UPON INSTRUCTIONS FROM THE BUREAU, SA R. E. RIGHTMYER AND I INTERVIEWED MAYOR JOHN C. STOFFEL AND CHIEF OF POLICE HOREJS TONIGHT IN THE MAYOR-S HOME IN CICERO. MAYOR [illegible] TELEPHONICALLY CONTACTED HIM [illegible]

62-29822-1419

RECORDED - 38 EX-109 1419

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MATTER WAS RECEIVING TOO MUCH ATTENTION AND [redacted] SEEMED AS THOUGH HE WERE ENDEAVORING TO BELITTLE THE MATTER OF THREATS HAVING BEEN MADE TO HIM. AT THE TIME THE MAYOR WAS INTERVIEWED AT HIS HOME HE STATED THAT HE RECENTLY TOOK OFFICE AS MAYOR OF CICERO, HAVING BEEN ELECTED ON APRIL SIXTH LAST. HE INDICATED THAT [redacted] ON APRIL [redacted] TWENTIETH HE APPOINTED JOSEPH V. HOREJS TO THE POSITION OF CHIEF OF POLICE INASMUCH AS HE HAD A GREAT DEAL OF RESPECT FOR HOREJS AND FELT THAT HE COULD DO A CREDITABLE JOB AS CHIEF OF POLICE. HE HAD BEEN ASSOCIATED WITH THE POLICE DEPT FOR A LONG TIME AND HAD BEEN AN INDIVIDUAL WHOM THE MAYOR CONSIDERED TO BE UPRIGHT AND HONEST. ACCORDING TO MAYOR STOFFEL, SHORTLY AFTER HE TOOK OFFICE, AN ORDINANCE WAS PASSED CHANGING THE CLOSING HOUR OF TAVERNS IN THE CITY OF CICERO REQUIRING THAT ALL TAVERNS CLOSE AT TWO AM. HE FURTHER INDICATED THAT A CHECK HAD BEEN MADE BY THE POLICE FOR HIM AND A NUMBER OF TAVERNS WERE FOUND TO BE OPERATING IN THE CITY OF CICERO WITHOUT LICENSES - THAT WHEN HE TOOK OFFICE, HE COULD FIND NO RECORDS WITH RESPECT TO LICESNSES WHICH HAD BEEN ISSUED TO TAVERNS AND THAT BECAUSE OF HIS ACTIVITY IN CLOSING TAVERNS WHICH DID NOT POSSESS LICENSES AND BECAUSE OF THE ENFORCEMENT OF THE ORDINANCE REQUIRING THEM TO CLOSE AT TWO AM, WHERE PREVIOUSLY THEY HAD REMAINED OPEN ALL HOURS OF THE NIGHT, THAT THIS HAD CAUSED CONSIDERABLE REACTION AMONG THE BIGGER OPERATORS OF TAVERNS IN THE CITY OF CICERO. THE [redacted] MAY STATED THAT ON MAY SEVEN HE WAS DRIVING IN HIS PERSONALLY OWNED

END PAGE TWO

ACROSS THE VIADUCT ON SOUTH LARAMIE STREET AND HAD REACHED THE SOUTH END OF THE VIADUCT AT A POINT WHERE IT INTERSECTS WITH ROOSEVELT ROAD AND HAD STOPPED HIS CAR FOR THE PURPOSE OF WAITING FOR A TRAFFIC LIGHT. HE STATED THAT A CAR WITH TWO MEN CAME UP AND PULLED IN FRONT OF HIM - THAT ONE OF THESE MEN HAD A GUN WHICH HE HELD IN THE WINDOW OF THE CAR. HE STATED THAT AS HE SAW THESE MEN HE BACKED HIS CAR UP AND PULLED HIS CAR AROUND BEHIND THE CAR WHICH HAD STOPPED IN FRONT OF HIM AND MADE A FAST GETAWAY AND AS HE WAS MAKING THIS GETAWAY HE OVERHEARD ONE OF THESE MEN SHOUT TO HIM QUOTE YOU SON OF A BITCH. WE-LL GET YOU NEXT TIME. UNQUOTE. HE STATED THAT HE WAS GREATLY EXCITED BECAUSE OF THIS HAPPENING AT THE TIME AND WHILE HE REPORTED IT TO THE POLICE HE DID NOT MAKE ANY PUBLIC ANNOUNCEMENT OF THIS SITUATION AT ALL AND DID NOT CARE TO RECEIVE ANY PUBLICITY IN CONNECTION THEREWITH. HE STATD THAT SUBSEQUENT TO HIS ELECTION TO THE OFFICE OF MAYOR OF CICERO, HE HAD RECEIVED SEVERAL TELEPHONE CALLS WHICH HAD BEEN FROM PERSONS UNKNOWN TO HIM AND THAT THESE PHONE CALLS WHILE NOT IN THE NATURE OF THREATS, HAD BEEN REQUESTS FOR INFORMATION AS TO WHAT COULD BE DONE - AS TO WHAT HE WANTED , INFERRING THAT ARRANGEMENTS COULD BE MADE TO HIS, THE MAYOR-S, SATISFACTION, THE ARRANGEMENTS SUPPOSEDLY REFERRING TO OPERATING OF TAVERNS AND BOOKIES IN CICERO. HE STATED THAT SINCE HIS ELECTION HE HAD RECEIVED SEVERAL WRITTEN COMMUNICATIONS, UNSIGNED, IN THE

END PAGE THREE

MAIL AND HE SAID HE ATTACHED NO SIGNIFICANCE TO THESE AND DID NOT KEEP THEM BUT TORE THEM UP AND THREW THEM IN THE WASTE BASKET AFTER THEY WERE RECEIVED. HE SAID THESE PARTICULAR COMMUNICATIONS ALL CENTERED AROUND THE GENERAL THEME. THAT HE WAS ENDEAVORING TO REGULATE THE MORALS OF THE PEOPLE IN CICERO AND THAT IF HE KEPT IT UP HE WOULD GET HIS HEAD SMASHED. THE MAYOR STATED HE COULD NOT UNDERSTAND THE PURPOSE OF THE PUBLICITY OF THIS MATER AT THIS TIME - THAT HE WAS NOT CERTAIN AS TO WHETHER OR NOT THERE WAS A MOTIVE BEHIND IT. HE SAID THAT HE PERSONALLY DID NOT NEEDXX NEED MONEY- THAT HE HAD MONEY OF HIS OWN - THAT HE DID NOT NEED TO KEEP THE JOB ALTHOUGH HE DID NOT INDICATE HIS INTENTION TO RESIGN. HE STATED THAT HE RECEIVED A TELEPHONE CALL FROM THE HERALD AMERICAN TODAY INQUIRING ABOUT THE THREATS TO HIM AND INQUIRING ABOUT HIS INTENTION TO RESIGN AND HE INDICATED TO THEM THAT HE DID NOT KNOW WHERE THEY GOT THEIR INFORMATION AND FURTHER RELATED THAT THE HERALD AMERICAN OFFERED TO GAXX LOAN TO HIM THE SUSPENDED CHICAGO POLICEMEN THOMAS CONNELLEY AND BILL DRURY, WHO ARE NOW ALLEGEDLY WORKING FOR THE HERALD AMERICAN. ACCORDING TO THE MAYOR THE HERALD AMERICAN INDICATED THAT CAPTAIN CONNELLEY AND LT. DRURY KNEW ALL OF THE RODEXXX HOODLUMS AND PROBABLY WOULD BE ABLE TO DETERMINE THE IDE OF THE PERSONS MAKING THREATS AGAINST THE MAYOR. HE INDICATE HE TURNED DOWN THIS OFFER OF THE HERALD AMERICAN. HE STATED A HERALD AMERICAN REPORTER WAS AT HIS HOME THIS MORN

END PAGE FOUR

AM AS HE LEFT AND HE INDICATED THAT HE HAD NOTHING TO SAY TO HIM. HOWEVER, HE SAID THAT HE WAS OFFERED A RIDE TO THE LOOP BY THE REPORTER AND THAT HE ACCEPTED THIS AND THAT ON THE RIDE DOWNTOWN HE TALKED TO THE REPORTER. HE STATED THAT WHEN THE NOON EDITION OF THE CHICAGO HERALD AMERICAN CAME ON THE STREETS HE FOUND THAT THE HERALD AMERICAN HAD MISQUOTED HIM. THE MAYOR INDICATED THAT HE HAD NO KNOWLEDGE AS TO WHO MIGHT HAVE BEEN RESPONSIBLE FOR THE AUTOMOBILE INCIDENT OR WHO MIGHT HAVE BEEN RESPONSIBLE FOR THE TRANSMISSION OF WRITTEN COMMUNICATIONS TO HIM OR WHO MIGHT HAVE BEEN RESPONSIBLE FOR THE TELEPHONIC COMMUNICATIONS WITH HIM. HE STATES THAT HE HAS LIVED IN CICERO ALL OF HIS LIFE AND HAS HAD NO INTIMATE CONTACT WITH THE PEOPLE WHO OPERATE TAVERNS OR GAMLING ESTABLISHMENTS IN CICERO, ALTHOUGH HE DID IN THE PAST KNOW IN A CASUAL WAY SEVERAL OF THE LOCAL PEOPLE WHO HAD GROWN UP AND WHO LATER BECAME CONNECTED WITH THE HOODLUM ELEMENT OF CICERO AND CHICAGO. HE RELATED THAT HE HAS NO INFORMATION TO ~~XXX~~ INDICATE THAT THE THREATS OF THE WRITTEN COMMUNICATIONS OR THAT THE TELEPHONE CALLS WERE IN ANY WAY THE WORK OF THE PAROLEES INVOLVED IN THE CAPTIONED MATTER. CHIEF OF POLICE JOSEPH V. HOREJS FURNISHED INFORMATION TO THE EFFECT THAT HE HAD RECEIVED ONE POSTAL CARD WHICH WAS NOT SENT THROUGH THE MAILS BUT WAS LEFT IN THE POLICE STATION BY AN UNKNOWN PERSON - THAT THIS CARD STATED

END PAGE FIVE

QUOTE SMART GUY, 'ARENT YOU, SO YOU WILL GET THAT WHAT OTHERS GOT SOON, YOU BIG ----- THE GANG IS HERE.' UNQUOTE. HE STATES THAT THIS CARD WAS LEFT AT THE STATION AT ABOUT THE TIME HE TOOK OVER AS CHIEF OF POLICE. HE STATES THAT HE HAS HAD NO OTHER THREATS MADE TO HIM. ~~EXXX~~ HE RELATED HOWEVER THAT ON ONE OCCASION LOUIS LIPSCHULTZ ENDEAVORED TO FIND OUT WHAT WAS NECESSARY FOR SLOT MACHINES AND BOOKIES TO OPERATE IN CICERO. HE STATED THAT HE WAS APPOINTED AS CHIEF OF POLICE ON APRIL TWENTY, LAST, AND THAT SHORTLY AFTER HE WAS APPOINTED, A FORMER CHIEF OF POLICE OF CICERO AND NOW A POLICE CAPTAIN IN CICERO BY THE NAME OF KID MARTIN, CAME TO HIM AND TOLD HIM THAT LOUIS ~~LIPSCHXX~~ LIPSCHULTZ WANTED TO SEE HIM AND WANTED TO SEE HIM ON THE STREETS. HE STATED THAT HE AGREED TO SEE LIPSCHULTZ BUT LATER THOUGHT BETTER OF IT IN VIEW OF THE FACT THAT HE CONSIDERED THAT PERHAPS A FRAME WAS BEING PLANNED AND HE THEN CALLED CAPTAIN MARTIN AND TOLD MARTIN TO TELL LIPSCHULTZ THAT HE WOULD ONLY SEE HIM IN HIS OFICE. HE STATED THAT MARTIN GOT IN TOUCH WITH LIPSCHULTZ AND APPARENTLY ~~LIPSCULTXXXX~~ LIPSCHULTZ WAS DIS-~~XXXXX~~ SATISFIED WITH THIS ARRANGEMENT AND TRIED TO EFFECT A PLAN WHEREBY HOREJS AND MARTIN WOULD COME TO LIPSCHULTZ' HOME IN RIVERSIDE, ILL, A SUBURBAN TOWN NOT FAR FROM CICERO. ~~HEXX~~ HOREJS STATED HE REFUSED TO GO TO RIVERSIDE AND MAINTAINED THAT IF LIPSCHULTZ WANTED TO SEE HIM HE WOULD HAVE TO COME TO HOREJS' OFFICE. HE STATED THAT AFTER ABOUT

END PAGE SIX "

TWO DAYS FROM THIS NEGOTIATION, LIPSCHULTZ CAME INTO THE OFFICE WITH A CICERO CITY OFFICIAL BY THE NAME OF HOLLICHET. HE STATED THAT LIPSCHULTZ, HOLLICHET AND MARTIN CAME TO HIS OFFICE ON APRIL TWENTY SIXTH OR TWENTY SEVENTH. AT THIS MEETING LIPSCHULTZ INDICATED THAT HE WANTED TO KNOW HOW THINGS STOOD - THAT HE, LIPSCHULTZ, WAS REPRESENTING OTHER PERSONS INTERESTED IN SLOT MACHINES AND BOOKIE OPERATIONS AND THAT IT WAS BIG BUSINESS. HOREJS STATED THAT HE TOLD THEM THAT THEY COULD NOT OPERATE IN CICERO - THAT HE WAS CHIEF OF POLICE - THAT HE WAS WORKING ON ORDERS RECEIVED FROM MAYOR STOFFEL AND THAT REGARDLESS OF ANY FORMER ARRANGEMENTS WHICH MIGHT HAVE BEEN MADE, THAT THAT WAS NOW PAST AND THAT UNDER THE NEW MAYOR SUCH THINGS AS SLOT MACHINES AND BOOKIE OPERATIONS WERE OUT. HE STATED THAT AT THE TIME HE WAS TALKING WITH LIPSCHULTZ HE HAD IN HIS OFFICE FOUR SLOT MACHINES WHICH HE HAD TAKEN FROM A PLACE IN CICERO WHICH HE HAD RAIDED. THE CHIEF INDICATED THAT HE TOLD LIPSCHULTZ THAT IF ANY FURTHER MACHINES WERE BROUGHT INTO CICERO THAT THEY WOULD BE CONFISCATED IMMEDIATELY, LIPSCHULTZ TOLD HIM THAT THEY HAD ALREADY MADE ARRANGEMENTS TO DELIVER MACHINES AND WERE DELIVERING THEM AND HOREJS INDICATED THAT HE TOLD LIPSCHULTZ THAT THE ORDER ON STOPPPING SLOT MACHINES WAS ALREADY OUT AND THAT HE WOULD GIVE HIM UNTIL MAY TENTH TO CEASE ALL BOOKIE OPERATIONS. HE STATED THAT SO FAR AS HE KNOWS THERE IS NO GAMBLING NOW IN

END PAGE SEVEN

PAGE EIGHT

CICERO. CHIEF HOREJS STATES THAT HE HAS NO INFORMATION TO THE EFFECT THAT THE THREATS WHICH WERE MADE AGAINST THE MAYOR OR THE ONE THREATENING CARD RECEIVED BY HIM COULD IN ANY WAY BE THE WORK OF THE FOUR PAROLEES.

MC SWAIN

END AND ACK

cc Mr Rosen & Ladd.

Send information to a.g.

1 - 1 - memo dtd 6-9-48 re card.

THE ATTORNEY GENERAL

Director, FBI

June 9, 1948

58-2000-1420

RECORDED-37

LOUIS CAMPAGNA, was., et al
BRIBERY; PAROLE MATTERS

3/1/95 5R5a/cm

For your information in connection with this case, I wish to advise you that the Chicago Division of this Bureau today received a letter from Assistant United States Attorney Miller at Chicago requesting additional investigation. Mr. Miller stated that his letter was predicated upon a telephonic request from U. S. Attorney Kerner in Washington.

It was requested that the circumstances surrounding the wedding reception of Paul DeLucia's daughter on January 24, 1948, be determined. This reception was held at the Blackstone Hotel in Chicago after the marriage of DeLucia's daughter to Alex Ponzio. Mr. Miller requested that it be determined at whose request this reception was given, the amount of the hotel bill, who paid it, when and how it was paid and any other pertinent facts which may be disclosed in the investigation. It is recalled that newspaper publicity afforded this reception in the Chicago newspapers at the time it was given, indicated that the total cost of the reception was $13,000, of which $8,000 was used for champagne.

This request, as are all requests from the U. S. Attorney's office in Chicago for additional investigation in this case, is being given prompt attention in accordance with your instructions.

G.I.D. 9

500 for ~
Jan 15 '48
2 Jan

RECEIVED-FBI
JUN 10 1 01 PM '48
U.S. DEPT. OF JUSTICE

RECEIVED-FBI
JUN 10 2 22 PM '48
U.S. DEPT. OF JUSTICE

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Gandy

58-2000
CAE:gjb

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. E. A. Tamm

DATE: 6-9-48

FROM : A. Rosen

Call: 2:30 PM

SUBJECT: LOUIS CAMPAGNA, WAS, ETAL
BRIBERY, PAROLE MATTERS

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Holmes
Miss Gandy

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/1/95 BY SP5A/AS

SAC McSwain of the Chicago Division telephonically advised he has received a letter from AUSA Miller dated today in which Miller states he received a phone call from USA Kerner in Washington, D. C. requesting investigation be conducted into the wedding reception of Paul DeLuccia's daughter to Alex Ponzio held on January 24, 1948 at the Blackstone Hotel in Chicago.

Mr. McSwain stated they desired to know at whose request the reception was staged, the amount of the hotel bill, who paid it, when and how it was paid, and any other pertinent facts which may be disclosed in the investigation. Mr. McSwain advised that the Chicago Herald newspaper stated that the total cost of the reception was $13,000 of which $8,000 was used for champagne.

Mr. McSwain stated that the Bureau had obtained information from technicals prior to the wedding that the subjects were not going to attend as things were "too hot" but that their wives were going to attend. The USA's Office was furnished this information prior to the wedding.

I advised Mr. McSwain that we should conduct the requested investigation and that he submit this request to the Bureau in teletype form pointing out that he discussed this matter orally with Mr. Miller and Mr. Miller advised that he did not know the purpose of the request, and neither does McSwain.

A memorandum transmitting this information to the Attorney General is attached.

AR:FE
Attachment
ADDENDUM
EAT:FA
6/10/48

In talking to Mr. McSwain at Chicago on another matter, I pointed out to him that in this case we must be meticulous in specifically following out in detail every investigation requested of the Bureau. I told Mr. McSwain that he should, of course, go ahead on this investigation as soon as the request is received in writing and get the information which the United States Attorney desired.

E. A. Tamm

58-2000-1420
F B I
RECORDED - 37
INDEXED - 37
10 JUN 12 1948

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

Rec 8:31 PM
via act RAP

JUN 4 1948

TELEMETER

CONF WASH 17 AND CGO 1 FROM LOS ANGELES 4 4-08 PM

DIRECTOR AND SAC CHICAGO URGENT

LOUIS (1) CAMPAGNA WAS, ETAL, BRIBBERY PAROL MATTERS. GCD TWO CONF. INF.

FOUR ADVISES NO INFO YESTERDAY RE ROSELLI-S ACTIVITIES. CI AT EL

STUDIO ADVISES YESTERDAY ROSELLI WILL NOT BE ACTIVE AT PRESENT

STUDIO UNTIL HE PRODUCES ANOTHER MOTION PICTURE WHICH TIME IS ~~INDEFINITE~~

~~XXX INDEFINITE~~ INDEFINITE NOW. CONSEQUENTLY FOR NEXT FEW DAYS GCD

TWO FOUR WILL FURNISH ONLY NEGATIVE INFO. HOWEVER BUREAU WILL BE

ADVISED DAILY OF DEVELOPMENTS. ~~ROSELI XX~~ ROSELLI-S AUTO OBSERVED

YESTERDAY IN FRONT OF MARYLAND BACHELOR APT., SEVEN TWO SEVEN G.I.R.51

S. MANSFIELD BUT IDENTITY OF PERSON CONTACTED AT THIS APT

YESTERDAY UNKNOAN. L.A. DAILY NEWS ARTICLE YESTERDAY REFLECTED

BRIAN FOY WILL PRODUCE FOUR PICTURES PER YEAR FOR STUDIO UNDER

NEW CONTRACT. ACCORDING TO RAZELLI BILL REMAIN AT STUDIO AS

LONG AS FOY PRODUCES PICTURES FOR THEM.

HOOD

ACK PLS

51 JUN 17

RECORDED - 45 155-2000-7721
INDEXED - 45
EX-109
JUN 9 1948

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. E. A. Tamm

FROM : A. Rosen

DATE: 6-5-48

Call: 4:00 PM

SUBJECT: LOUIS CAMPAGNA, ET AL
BRIBERY, PAROLE MATTERS

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Holmes
Miss Gandy

SAC McSwain of the Chicago Division telephonically advised that he had just submitted a teletype to the Bureau setting forth all developments of their conference and in view of the comments of Mr. Kerner he would hold in abeyance any further action until the Bureau had an opportunity to consider the most recent developments.

He advised that the Agents from the Kansas City Division who attended the conference are: SA R. W. Radford and SA R. P. Metzer with ASAC Hosteny and SA Ritemeyer of the Chicago Division.

AR:FE

RECORDED - 45 58-2000-1422
EX-109 31 JUN 9 1948
FBI

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3-11-75 BY SP5 alm

G. I. R. -9

51 JUN 17 1948

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : MR. E. J. McCABE

DATE: 6-3-48

FROM : A. Rosen

Call: 11:00 A.M.

SUBJECT: LOUIS CAMPAGNA, was, et al
BRIBERY; PAROLE MATTERS

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Holmes
Miss Gandy

Mr. Horan in Peyton Ford's Office called and advised he had just talked with USA Kerner and discussed the conversation in my office concerning the Agents proceeding to Chicago from Kansas City, and Kerner told him the Agents were to be there this morning. Mr. Horan indicated they are considering the angle that the parolees might have left the penitentiary a day prior to the date they were scheduled to leave, and were going to attempt to get some concrete information concerning this. He indicated this would be brought to the attention of the Agents at the conference, and it is his understanding nothing further will be done until word is received from Kerner.

G. I. R. -9

RECORDED - 45

EX-109

62-2000-142-31

F B I

31 JUN 9 1948

AR:lg

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/1/95 BY SP5A/AR

51 JUN 17 1948

DECLASSIFICATION AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
DATE 04-08-2013
C88W15B80

~~CONFIDENTIAL~~

F.B.I. TELETYPE

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

APPROPRIATE AGENCIES AND OFFICES NOTIFIED

CLASS. & EXT. BY SP5 RJG BR
REASON - FCIM 11 1-2.4.2
DATE OF REVIEW 5-12-94

~~ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE.~~

DECODED COPY

WASH 14 FROM CGO 5-21-48 7-00 PM

DIRECTOR ATTN ASST. DIRECTOR A. ROSEN

URGENT

Classified by SP5 CAS
Declassify on: OADR

SAC KANSAS CITY ADVISED BY SEP TEL

LOUIS CAMPAGNA, WAS, ETAL, BRIBERY, PAROLE MATTERS. REURTEL MAY NINETEEN, FORTYEIGHT, USA KERNER STATED TODAY THAT IT WAS HIS OPINION THAT THIS CASE RESTS ON THE ACTIVITIES OF THE PAROLEES IN THE KANSAS CITY AREA. KERNER ADVISED THAT THERE WERE TWO POSSIBILITIES OF SENDING THE PAROLEES BACK TO PRISON, THE FIRST BEING IF IT COULD BE PROVEN THAT THE PAROLEES ASSOCIATED WITH INDIVIDUALS OF UNSAVORY REPUTATION IN THE HOTEL MUEHLEBACH IMMEDIATELY AFTER THEIR RELEASE FROM LEAVENWORTH PENITENTIARY AS WELL AS THE TWO UNKNOWN INDIVIDUALS WHO OCCUPIED SEATS ON THE AIRLINE FLIGHT FROM KC TO CHICAGO, AND SECONDLY, IF IT COULD BE PROVEN THAT THE PAROLEES WERE AT THE MUEHLEBACH HOTEL ON AUGUST THIRTEEN THEY WOULD BE [redacted] THAT DAY. KERNER EXPRESSED AN OPINION THAT [redacted] KERNER STATED THAT HE IS QUITE CONVINCED IN HIS OWN MIND THAT THE [redacted] AS WELL AS [redacted] KERNER ADVISED THAT TONY FLORES, WAITER, HOTEL MUEHLEBACH, IN HIS OPINION COULD FURNISH MORE INFORMATION. KERNER DESIRES THAT TONY FLORES AND ALL OTHER WAITERS AND PERSONNEL OF THE HOTEL MUEHLEBACH BE REINTERVIEWED. KERNER STATED HE WILL DISCUSS THIS MATTER FURTHER ON MONDAY NEXT. KERNER STATED HE BELIEVES THAT THE AGENTS IN KC WHO WILL CONDUCT INVESTIGATION TO IDENTIFY THE OCCUPANTS OF THE MUEHLEBACH HOTEL AS WELL AS THE PASSENGERS ON THE AIRLINE FLIGHT TO CHICAGO SHOULD [redacted] AND THEIR ASSOCIATES. KERNER IS OF THE OPINION THAT THE TWO UNKNOWN PASSENGERS ON THE FLIGHT, BERNSTEIN, GIZZO, TAXMAN AND THE THREE PAROLEES WERE THE INDIVIDUALS FOR WHOM THE EIGHT LUNCHES WERE ORDERED AND

b3

RECORDED
INDEXED
31 JUN 21 1948

If the intelligence contained in the above message is to be disseminated outside the Bureau, it is suggested that it be suitably paraphrased in order to protect the Bureau's coding systems.

57 JUN 17 1948

~~CONFIDENTIAL~~

COM-4

CONFIDENTIAL

F.B.I. TELETYPE

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

DECODED COPY

DELIVERED TO ROOM 'IN THE HOTEL MUEHLEBACH. KERNER STATED THAT HE PREFERS THAT THE AGENT COME TO CHICAGO AND READ THE TESTIMONY IN HIS OFFICE AS HE DID NOT WANT ANY WRITTEN SUMMARY OF THIS TESTIMONY MADE. KERNER WAS VERY EMPHATIC IN HIS STATEMENT THAT THE KEY TO THE SOLUTION OF THIS CASE WAS THE IDENTITY OF THE OCCUPANTS OF THE HOTEL MUEHLEBACH AS WELL AS THE OCCUPANTS ON THE AIRLINE FLIGHT TO CHICAGO AND THE IDENTITIES OF THOSE INDIVIDUALS MUST BE DETERMINED IF AT ALL POSSIBLE. IT IS SUGGESTED THAT KC CONDUCT NO INVESTIGATION ON THESE REINTERVIEWS AT THIS TIME. AFTER MONDAY-S CONFERENCE WITH KERNER BOTH THE BUREAU AND KC WILL BE ADVISED CONCERNING ALL OF THE INVESTIGATION DESIRED AND IF APPROVED BY THE BUREAU, THIS INVESTIGATION WILL BE CONDUCTED BY KC. CONCERNING KERNER-S STATEMENT THAT THE TELEPHONE CONVERSATIONS WERE BECOMING QUOTE MORE INTERESTING UNQUOTE, KERNER HAD IN MIND THE FACT THAT AT FIRST THE INDIVIDUALS WERE VERY GUARDED IN THEIR CONVERSATIONS AND THAT AS THE PUBLICITY ON THIS CASE DIED DOWN HE FELT THAT THE PAROLEES WERE GRADUALLY LETTING DOWN THEIR GUARD AND WHEN THAT OCCURRED COMPLETELY HE FELT THAT THERE MIGHT BE SOME GOOD INFORMATION OBTAINED. KERNER STATED HE WAS FEARFUL THE MAY THIRTEEN ARTICLE WRITTEN BY JAMES DOHERTY OF THE CHICAGO TRIBUNE MIGHT HAVE THE EFFECT ON THE PAROLEES OF AGAIN GUARDING THEIR CONVERSATIONS MORE CAREFULLY. ACCORDING TO KERNER HIS CURRENT PLAN HINGES AROUND THE EVENTS TRANSPIRING IN THE KC AREA AND ANY OTHER INFORMATION WHICH WOULD SHOW THAT [redacted] IN WHICH EVENT HE FEELS THAT THAT WOULD BE SUFFICIENT GROUNDS TO REVOKE THE PAROLES. KERNER FEELS THAT THERE IS A POSSIBILITY THAT SOME INFORMATION WOULD BE RECEIVED FROM THE TECHNICAL SURVEILLANCE WHICH WOULD AID HIM IN THIS MATTER. A REPORT OF SA HAROLD P. HIGGINS, MAY ONE, FORTY EIGHT, SAN DIEGO, WAS DELIVERED TO KERNER TODAY AND WITH RESPECT TO THE LAST PARAGRAPH OF THAT REPORT CONCERNING ROSELLI-S FAILURE TO REGISTER AS A CONVICTED FELON AT THE CITY OF PALM SPRINGS, CALIF., KERNER MADE THE FOLLOWING COMMENT - QUOTE I WONDER IF ROSELLI-S VIOLATING THAT CITY ORDINANCE WOULD BE SUFFICIENT FOR THE PAROLE BOARD TO SEND HIM

b3

If the intelligence contained in the above message is to be disseminated outside the Bureau, it is suggested that it be suitably paraphrased in order to protect the Bureau's coding systems.

CONFIDENTIAL

COM-4

~~CONFIDENTIAL~~

F.B.I. TELETYPE

DECODED COPY

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

PAGE THREE

BACK TO PRISON UNQUOTE. KERNER ALSO ADVISED THAT DR. GEORGE E. KILLINGER, NEWLY APPOINTED HEAD OF THE PAROLE BOARD, WAS COMING TO CHICAGO MONDAY NEXT FOR A TWO OR THREE DAY CONFERENCE WITH HIM IN CONNECTION WITH THIS CASE.

MC SWAIN

RECEIVED: 5-21-48 8-52 PM EDST MET

cc: Mr. Enoch

If the intelligence contained in the above message is to be disseminated outside the Bureau, it is suggested that it be suitably paraphrased in order to protect the Bureau's coding systems.

~~CONFIDENTIAL~~

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : MR. E. A. TAMM

FROM : A. ROSEN

DATE: June 1, 1948

SUBJECT: LOUIS CAMPAGNA, was., ET AL
BRIBERY; PAROLE MATTERS

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/1/95 BY SP5 a/da

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Holmes
Miss Gandy

Mr. Michael J. Horan called at my office and said he was in Mr. Peyton Ford's Office in the Department and wanted to bring me up on the latest development in the Campagna parole matter.

He stated a memorandum would be sent to the Bureau today concerning this. However, by way of background, he wanted to point out that the Department had decided that the parolees should be back in the penitentiary. He stated that he and Killinger, the newly appointed head of the Parole Board, were out in Chicago and had talked to Kerner, the USA, and that it is the desire of the USA to intensify the investigation at Kansas City in connection with the alleged association of the various subjects with persons of ill repute. It is recalled following the release of the subjects from the penitentiary on parole, information was obtained that they associated with men of ill repute in Kansas City at the Muehlebach Hotel.

With reference to the various subjects, it is believed that Gioe apparently transferred jobs before his parole was granted, and this would be sufficient to revoke his parole.

DeLucia continued to associate with Curry, who is a man of ill repute. Therefore, his parole can be revoked.

On Campagna, the evidence is not sufficient to justify any revocation unless additional facts are obtained concerning his source of income, and an effort, it would appear according to the Department, should be made to ascertain the source of his income. It is believed he is continuing in the gambling business.

On D'Andrea, his health has been bad and he does appear to be completely divorced from his former associates.

With reference to Roselli, there seems to be justification on him, inasmuch as he failed to register as a convicted felon in California under the law there.

It, therefore, appears that the Department wants to take some action in connection with the revocation of the paroles.

158-2000-14215
F B I

RECORDED - 47

31 JUN 9 1948

AR:lg:ls

62 JUN 29 1948

Memo for Mr. Tamm

Mr. Horan says that a memorandum will be forthcoming to the Bureau outlining the investigation which is to be conducted, and that he was merely letting the Bureau know that this memorandum would be forthcoming, and that the Department was still retaining its interest in this case.

He also stated that the Grand Jury is presently in session out there and can be held as a continuing Grand Jury until appropriate action can be taken.

He also pointed out that if it can be developed that these people associated with men of ill repute after they departed from prison, it may be necessary to proceed on a perjury indictment against the subjects. In this connection, the perjury would be supported upon the fact that the individuals in filling out their reports to the parole officers since their release from prison had failed to completely fill out the questionnaire, and have not accounted for the source of their income. Before the perjury can be established, however, it would be necessary to make sure that the parole officers who received these reports insist upon a full and completed report before it is accepted. At the present time, instructions are underway to be issued to all parole officers that all questionnaires or reports submitted by parolees are to be completely filled out, and that all questions are to be answered in full. If then the subjects fail to answer all questions or improperly or falsely answer any of the questions, it would be possible to proceed against them on perjury charges.

ACTION TO BE TAKEN

We will await the memorandum from the Department. In the meantime, I will call McSwain and give him the benefit of this conversation with Horan. I also pointed out to Horan that we have been following the Attorney General's instructions in keeping in close touch with Kerner, and that I assumed that if Kerner wants anything done, he is asking our Chicago Office to do it. Horan stated that was his understanding, and that he will make sure that Kerner keeps in close touch with the Chicago Office. I specifically pointed this out because I did not want any misunderstanding as to the direction that was being taken in connection with this investigation in that it was being carried forward at the instruction of and direction of Kerner, and that any activity which he wanted developed would be developed in line with his thoughts. Just so McSwain will know this most recent development, I will call him today.

FEDERAL BUREAU OF INVESTIGATION
UNITED STATES DEPARTMENT OF JUSTICE

CC-150

To: COMMUNICATIONS SECTION. JUNE 9, 1948 URGENT

Transmit the following message to: SAC, LOS ANGELES

LOUIS CAMPAGNA, WAS, ET AL, BRIBERY, PAROLE MATTERS. SUBMIT INVESTIGATIVE REPORT BRINGING UP TO DATE YOUR INVESTIGATION REGARDING CURRENT ACTIVITIES OF SUBJECT ROSELLI FOR RECEIPT AT THE BUREAU NOT LATER THAN JUNE TWELVE.

HOOVER

58-2000
CAE:gjb

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/1/95 BY SP5 a/as

RECORDED & INDEXED 58-2000-1426

EX-54

31 JUN 11 1948

FBI
U.S. DEPT. OF JUSTICE

RECEIVED-READING ROOM
JUN 9 12 02 PM 1948

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Mr. Keats
Miss Gandy

COMM

JUN 9 1948

62 JUN 29 1948

SENT VIA TELEMETER 12-11 M Per

U.S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

JUN 9 1948

TELEMETER

LOSA 9 FROM WASHINGTON 9 12-47 P

SAC U R G E N T

LOUIS CAMPAGNA, WAS, ET AL, BRIBERY, PAROLE MATTERS. SUBMIT INVESTIGATIVE REPORT BRINGING UP TO DATE YOUR INVESTIGATION REGARDING CUREXXX CURRENT ACTIVITIES OF SUBJECT ROSELLI FOR RECEIPT AT THE BUREAU NOT LATER THAN JUNE TWELVE.

NOOVER

END

ACK PLS

6/11/48 Sesalaw

SAC, Chicago

June 18, 1948

Director, FBI

LOUIS CAMPAGNA, with aliases, ET AL
BRIBERY; PAROLE MATTERS

With further reference to Bulet dated April 20, 1948, the Bureau of Internal Revenue has now made available a photostatic copy of the income tax return filed by Francis Jerome Curry for the year 1945. This photostatic copy is enclosed herewith.

Enclosure

RECORDED - 45
58-2000 - 1427

CAE:LS

EX-70

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/1/95 [illegible]

COMMUNICATIONS SECTION
MAILED 12
JUN 17 1948 P.M.
FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Gandy

55 JUN 28 1948

New Parole Expert Faces Gang Case

BY PAUL R. LEACH
Chief Of Our Washington Bureau

WASHINGTON--His education and government experience have made the new member of the Federal Parole Board, Dr. George E. Killinger, an expert in finding out what makes people tick and trying to make decent citizens out of convicts.

'This parole board is the main link in the prison system's hope of restoring men,' he said in an interview. 'I have aspired to do the work, am very much interested in it.'

Mob Case Coming

He was reminded that among his early tasks will be helping to pass on the parole of Frankie Diamond, Capone hoodlum, and deciding what to do about congressional demands for return to prison of four paroled fellow Capone mobsters--Charles 'Cherry Nose' Gioe, Paul 'The Waiter' Ricca, Louis 'Little New York' Campagna and Phil D'Andrea.

'Yes,' he said, 'but I know nothing about those cases. I have just taken office. I have not yet read the files and report on those men. It will be my policy to treat individually on their merits all cases coming before me.'

Virginia Native

Dr. Killinger is a native of Marion, Va., where he owns as a sideline a factory making yarn coasters to keep iced tea glasses from skidding.

He is 40 years old. His adult years have been spent mostly in personnel and prison work. Graduating from Wittenberg College at Springfield, Ohio, in 1930, he taught at the University of North Carolina while working for his doctor of philosophy degree in psychology.

He entered government service in 1934 as a psychologist and assistant personnel director for the Tennessee Valley Authority. He went from there to the Virginia State Hospital for the criminally insane, supervising outpatients and social service.

Aid At Atlanta

Joining the U.S. Public Health Service in 1937, Killinger was lent to the Federal Bureau of Prisons. He was educational director at the Atlanta Penitentiary, building up schools for 3,000 prisoners, and then was moved to the Washington bureau to supervise similar schooling for all federal prisons.

After Pearl Harbor the health service assigned him to the War Shipping Administration. There he established the psychological and psychiatric services for mental examination of all men going into the merchant marine.

After the war he worked with the Army clemency and parole board at the Pentagon Building until Attorney General Clark appointed him to the parole board.

CHICAGO DAILY NEWS

May 19, 1948

3/1/95 SPSA/aw

RECORDED - 38

158-2

ET EB

33 JUN10 194

THE ATTORNEY GENERAL

June 12, 1948

Director, FBI

LOUIS CALPACHIA, was; et al
BRIBERY; PAROLE MATTERS

Reference is made to my memorandum of June 7, 1948, enclosing a report prepared by Special Agent Raymond W. Radford at Kansas City, dated May 20, 1948. This report concerns the alleged activities of Tony Gizzo, Kansas City hoodlum, and Warden Walter Hunter of the U. S. Penitentiary at Leavenworth, Kansas. The investigation concerning these alleged activities was predicated upon your penned note reading "Investigate and report to me" which was placed upon my memorandum to you of March 26, 1948. In view of these instructions, no copy of the report of Special Agent Radford has been made available to the U.S. Attorney at Chicago.

Will you please advise in the event you desire a copy of this report made available to him.

3/1/95 sps/aw

SENT FROM D. O.
TIME 9:00 AM
DATE 6-14-48
BY RP

58-2000-1428

RECORDED - 31

31 JUN 15 1948

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Mr. Egan
Mr. Gurnea
Mr. Nease
Miss Gandy

58-2000
CAE:gjb

JUN 12 5 30 PM
RECEIVED READING ROOM
F B I
U.S. DEPT. OF JUSTICE

JUN 12 12 PM '48
U.S. DEPT. OF JUSTICE
FBI

THE ATTORNEY GENERAL

June 12, 1948

Director, FBI

LOUIS CAMPAGNA, was., et al
BRIBERY; PAROLE MATTERS

I am enclosing herewith for your information photostatic copies of newspaper articles published at Chicago relative to this case.

Enclosure

58-2000
CAE:gjb

SENT FROM D. O.
TIME 9:00 AM
DATE 6-14-48
BY DJP

RECEIVED-DIRECTOR
F B I
U.S. DEPT. OF JUSTICE
JUN 12 2 32 PM '48
F B I
U.S. DEPT. OF JUSTICE

JUN 12 2 13 PM '48
RECEIVED READING ROOM
F B I
U.S. DEPT OF JUSTICE

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Gandy

JUN 22 1948

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI
ATTENTION: MR. A. ROSEN

DATE: June 2, 1948

FROM : SAC, Chicago

SUBJECT: LOUIS CAMPAGNA, was; etal
BRIBERY; PAROLE MATTERS

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/16/93 BY SP5 CAC

~~DEFERRED RECORDING~~

For the information of the Bureau in connection with the captioned matter, there are enclosed clippings from the Chicago Sun-Times of May 26th and from the Chicago Tribune of May 26th, 28th and 30th.

MG
Encs. (5)

ENCL 11

Let to ~~RECORDED~~ - 39
6-12-48
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FBI
31 JUN 15 1948

PAROLE PROBERS WILL CONTINUE INQUIRY HE

Seek to Unmask Man Who Aided Release

BY JAMES DOHERTY
(Chicago Tribune Press Service)

Washington, May 29—Rep. Hoffman (R., Mich.), chairman of the committee investigating all phases of the paroling of four Chicago gangsters from federal prison, gave notice today that the investigation will continue after congress adjourns for the summer. He plans hearings in Chicago as soon as the Republican convention is over and an effort will be made to unmask "Mysterious Mike Ryan," the committee chairman stated.

The house committee on expenditures of executive departments has full power to call witnesses and compel testimony under oath while congress is not in session. It is this committee, of which Hoffman, a veteran representative, is chairman, and the parole inquiry is under the jurisdiction of a subcommittee, of which he is also chairman, and of which Rep. Busbey (R., Ill.), a Chicagoan, is a member.

Courts Co-Operate

Hoffman informed the parole board, which he expects to serve notice on Atty. Gen. Clark, that the investigation cannot be circumvented or thwarted by delay on its part until the summer adjournment. Hoffman said his subcommittee has several summer hearings in mind.

"One question we faced was whether to hold any more hearings in Chicago," the chairman explained. "We have in mind the matter of possible prosecution of any one who might refuse to testify or commit perjury before the committee. The jurisdiction would be where the offense was committed.

"The courts in Washington have given congress full co-operation in punishing those guilty of contempt of congress by refusals to testify.

Tips On Mystery Man

"We believe, however, that we can get the same co-operation in Chicago, if it is needed, so we may take up the inquiry there soon after adjournment."

Hoffman said he has many tips as to the identity of the mystery man who, according to the testimony of Atty. Maury Hughes of Dallas, Tex., paid $15,000 to have indictments in New York voided so Paul Ricca, Louis Campagna, Charles Gioe, and Phil D'Andrea would be eligible for the paroles given them last Aug. 13.

Hughes, a friend of Atty. Gen. Clark for 25 years, said he conferred with three of Clark's assistants about the dismissal of the indictment which netted him a fee of $15,000, but was unable to give the true identity of the man who hired him. The agent of the gangsters, Hughes said, was an Italian but used the name of Mike Ryan, and said Paul Ricca asked him to hire Hughes.

Served A Third

Ricca and his fellow convicts were serving sentences of 10 years after conviction of extorting more than 1 million dollars from the motion picture industry. The indictment that would have been an obstacle to the paroles—which they obtained as soon as they were eligible, which was shortly after they had served one-third of the sentence—was for "gypping" the membership of the AFL International Alliance of Stage and Theatrical Employes out of another million dollars.

"Those paroles were so unmerited, so flagrant a miscarriage of justice that we of the subcommittee do not intend to cease our effort to expose the entire truth," said Hoffman. "We're going ahead on this line if it takes all summer."

ENCLOSURE

CHICAGO DAILY TRIBUNE

May 30, 1948

62-100-1429

F B I

31 JUN 15 1948

New aid studies 4 paroles

Newly-appointed to the U.S. board of paroles, Dr. George G. Killinger, psychologist and educator, arrived in Chicago to study records on the recent parole of four Capone associates.

His first move was a lengthy conference with Otto Kerner Jr., U.S. attorney, on the part the government played in both the prosecution and subsequent paroles.

Mind open

"Of course, I had nothing to do with these cases myself," said Dr. Killinger, "and I am trying to familiarize myself with what went on before. I want to study the files, including the reports of their (the four defendants) progress since they got out of jail. I have an open mind on the subject."

There is now no formal proceeding before the parole board on the four, but Dr. Killinger indicated the question of revoking the paroles may come up.

Policy explained

Speaking of the parole board work in general, Dr. Killinger said:

"It is a challenging job, and I hope to give psychiatric and education work the importance to which it is entitled in giving paroles. Each case will get individual and scientific study."

Dr. Killinger, who made part of his studies at the University of Chicago, has long been a psychologist with the U. S. Prison and Health Service. From 1938 to 1942 he was director of education at the federal penitentiary in Atlanta, Ga., and in 1942 was made director of education for all federal prisons.

CHICAGO DAILY SUN—TIMES
5/26/48
ENCLOSURE

3-38

3/1/95 SPSC(cw)

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E E H
31 JUN 15 1948

CHICAGO DAILY TRIBUNE:
Page 1... Wed., May 26, 1948

PUT GANGSTERS BACK IN PRISON, VURSELL PLEADS

Parole a Miscarriage of Justice, He Says

BY JAMES DOHERTY
(Chicago Tribune Press Service)

Washington, May 25—A demand that the United States parole board reverse itself and order the recommitment to prison of four Chicago gangsters was made in the house today by Rep. Vursell (R., Ill.).

Vursell formerly was an official in the Chicago office of the Illinois attorney general under the administration of the late Oscar Carlstrom from 1924 to 1932. He thus has first hand information concerning [redacted] crimes of the Capone gang. He told his colleagues today that the parolees were members of that gang which "wrote a lawless record of kidnaping, murder, and extortion which for years shocked the nation."

Miscarriage Of Justice

Vursell said the release of Paul Ricca, Louis Campagna, Charles Gioe, and Phil D'Andrea is, in his opinion, one of the nation's worst miscarriages of justice. He recalled that they were sentenced to 10 years imprisonment for extortion of more than $1,800,000, and that the federal parole board cut the terms to 3 1/2 years.

"Before they could be turned loose a little matter of another indictment for using the mails to defraud in the amount of $1,000,000 was hanging over them and it was necessary to get this case stricken from the docket, or they would have been rearrested as soon as they were paroled," Vursell said.

"To remove this formidable obstacle, in some strange manner Maury Hughes, a lawyer from [redacted] who is a close friend of [redacted] ficials who have the power, including the parole board, will move speedily to revoke these paroles so that the public may know that even millionaire gangsters who have flouted the law can be held in the penitentiary to serve their sentences just as the ordinary criminal must lose his liberty."

Want to try a whiz of a brain TEST YOUR HORSE SENSE

New Federal Parole Board Member

Dr. George E. Killinger (left), new member of the federal parole board, as he visited District Atty. Otto Kerner in the latter's office yesterday. (TRIBUNE Photo)

Sifts Gang Cases

Dr. George G. Killinger, most recent appointee to the federal parole board, arrived in Chicago yesterday from Washington for a two day study of the paroling of four Capone gang hoodlums, which he called one of the "unfortunate" board happenings before he took office.

He will study records of the case, which have been in the possession of United States Atty. Otto Kerner Jr., for a grand jury inquiry. He also will confer with Charles W. Fisher, chief probation and parole officer here, on the behavior of the parolees—Paul (The Waiter) De Lucia, Louis (Little New York) Campagna, Charles (Cherry Nose) Gioe, and Philip D'Andrea.

The three man board is expected to meet in Washington next week, he said, to elect a chairman in place of Daniel Lyons, whose resignation led to Dr. Killinger's appointment by Atty. Gen. Clark last May 17. Dr. Killinger, whose home is in Marion, Va., is a psychologist. He formerly was director of education of the federal bureau of prisons, and most recently was chairman of the army's clemency and parole board.

[redacted] DAILY TRIBUNE
5/26/48

[redacted] 5/1/95 SP5a(cw)

ENCLOSURE

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31 JUN 15 1948

Urges return of 4 Capone men to prison

Special to THE SUN-TIMES

Washington--A demand that the four paroled Capone associates whose freedom stirred up a congressional probe, be sent back to prison at once was voiced by Rep. Charles W. Vursell (R-Ill.)

"Lack of cooperation by Atty. Gen. Tom C. Clark has prevented the House Executive Expenditures Committee from getting necessary information in its investigation of the paroles," Vursell charged.

The congressman said "no one could read the testimony" given the committee without reaching the conclusion the four men never should have been paroled. The four are Paul Ricca, Louis Campagna, Charles Gioe, and Philip D'Andrea.

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CHICAGO DAILY SUN-TIMES

5/26/48

ENCLOSURE

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31 JUN 15 1948

CRIME FIGHTER RIPS EXCUSES IN GANG PAROLES

BY JAMES DOHERTY
(Chicago Tribune Press Service)

Washington, May 27—Excuses by members of the federal parole board that they didn't know the reputations of four Chicago Capone gang convicts they set free last August were blasted today in a letter from Virgil W. Peterson, operating director of the Chicago crime commission, to Rep. Busbey (R., Ill.), member of the committee which is demanding that the paroles be revoked.

Peterson replied to a congressional query as to the reputations of the men whose paroles have been under investigation. The paroles, it has been shown were engineered by men with political connections in high places.

Out In 3 1/2 Years

Chairman Hoffman (R., Mich.) of the investigating committee which has been sifting charges that the paroles cost the gangsters huge sums, is now seeking evidence concerning the "higher-ups," his office said.

Rep. Busbey, a Chicagoan and member of the Hoffman committee, asked the Chicago crime commission's opinion on several phases of the inquiry into why 10 year sentences for men who had obtained loot of more than $2,000,000 thru violence, extortion and union treasury looting, were cut to 3 1/2 years. Peterson replied:

"It may be stated that the Capone syndicate was so well known thruout the entire United States as a notorious criminal gang that it would seem inconceivable that members of the parole board should not have been cognizant of its reputation.

Matter Of Record

"The affiliation of the four parolees with the Capone syndicate was a matter of record in the federal case which resulted in their conviction and commitment to the federal penitentiary. A proper administration of the parole laws, which necessarily takes into consideration the public interest as well as the welfare of the convict, would obviously entail an adequate pre-parole investigation.

"Even the most cursory inquiry of the Chicago police department or the Chicago crime commission in connection with the parole applications of Paul Ricca, Louis Campagna, Phil D'Andrea and Charles Gioe, would have revealed (1), that these men have long been recognized as prominent members of the Capone syndicate, and (2), that the Capone gang has the reputation of being one of the most powerful organized crime groups in the entire country.

"Certainly, had these readily obtainable facts been secured in a pre-parole investigation, public interest would have demanded a denial of the parole applications."

Await New Member

Fred S. Rogers and B.K. Monkiewicz, the parole board members who signed the release order for the four Chicago convicts, are awaiting a conference with their new colleague, Dr. George Killinger, before taking any action on possible revocation of the paroles, it was announced.

Dr. Killinger replaces Daniel Lyons, who has returned to his former job as pardon attorney for the department of justice. Lyons filled the chairmanship of the board after the resignation of the late T. Webber Wilson, who acted with Rogers and Monkiewicz in freeing the Capone gangsters.

Trips out of town by Monkiewicz and Dr. Killinger have prevented organization of the new board and a discussion as to further action regarding Ricca, Campagna, Gioe and D'Andrea, according to the parole office.

ENCLOSURE

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31 JUN 15 1948

CHICAGO DAILY TRIBUNE
May 28, 1948

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

JUN 7 1943

TELEMETER

Mr. Tamm
Mr. E. A. Tamm
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Nease
Miss Gandy

WASH 17 FROM CGO 7 5-43 PM

DIRECTOR, FBI URGENT

ATTENTION ASSISTANT DIRECTOR A. ROSEN

LOUIS CAMPAGNA WAS, ETAL, BRIBERY, PAROLE MATTERS. REOURLET JUNE ONE LAST. USA KERNER ADVISED THAT EUGENE BERNSTEIN AND ANTHONY JOSEPH ACCARDO ENTERED PLEAS OF NOT GUILTY TODAY. TRIAL SET FOR NOVEMBER EIGHT, FORTYEIGHT, WHICH ACCORDING TO MR. KERNER WAS FIRST OPEN DATE ON WHICH THIS CASE COULD BE HEARD.

MC SWAIN

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ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE
DATE 3.11.95 BY SP5 CAW

CC to ONI

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI
ATTENTION: MR. A. ROSEN

DATE: May 19, 1948

FROM : SAC, Chicago

SUBJECT: LOUIS CAMPAGNA, was; etal
BRIBERY; PAROLE MATTERS

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/1/95 BY SP-2 (AM)

For the information of the Bureau there are transmitted herewith clippings from the Chicago Herald-American, the Chicago Sun-Times, the Chicago Daily News and the Chicago Tribune of May 19th, which relate to the captioned matter.

MG
Encs. (4)

Tolson
Mr. E. A. Tamm
Clegg
Glavin
Ladd
Nichols
Rosen
Tracy
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Harbo
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EX-70 Memo AG EX-70

55 JUL 2 - 1948

Question Guzik Chief in Beating

Francis Curry, reputed Guzik-Ricca-Capone syndicate chief in Joliet, was revealed today as having gone voluntarily before the Will County grand jury to testify in the McCabe slugging.

The jury was probing the nearly-fatal beating last April 7 of William R. McCabe, 64, publisher of a Joliet weekly paper, The Spectator. He still is in St. Joseph's Hospital in that city.

Demands by Joliet citizens and papers for a special prosecutor and grand jury had been refused.

Will County State's Attorney James E. Burke revealed that Curry had telephoned the sheriff, said he had heard "through the grapevine" that he might be called, and offered to come in and testify.

He did that last Monday, Burke said. But the state's attorney refused to say whether Curry signed an immunity waiver or had been quizzed about his gang connections or anything else.

Former Chief of Police Ernest Overbey, who was ousted, he charged through Curry influence for being "too enthusiastic" about enforcing the law, said he had offered to testify about the connection between the Guzik syndicate and politics in Will County but had not been called.

Nor was it explained why Albert Krywonis, CIO leader in Joliet, had not been called to testify. Krywonis, the morning after the slugging of McCabe, had offered to tell what he knew.

THE CHICAGO AMERICAN
May 19, 1948

ENCLOSURE
INDEXED - 38
JUN 10 1948

Hoffman tells theft of parole quiz data

By Ray Brennan

Rep. Clare E. Hoffman has lost, he says, "the most important piece of information I ever had in the Capone gang parole inquiry."

The staunch Michigan Republican admitted the loss to a SUN-TIMES reporter by telephone from St. Joseph, Mich., where he was visiting.

The culprit in the case stole into his suite in the House Office Building in Washington one dark night several weeks ago and purloined the paper, Hoffman said.

It was a letter mailed to him from Chicago and the sender hadn't signed it, said the congressman.

Has 'hot' clue

"The thief knocked a typewriter off the desk and broke it," he said. "That's our only clue."

The SUN-TIMES reporter interviewed Hoffman after this classified ad appeared in two Chicago newspapers:

"ANONYMOUS: Your letter giving clues, certain phases granting paroles Capone gangsters, mysteriously missing from file. Write me again. Clare E. Hoffman, Washington, D. C."

Asked if he was certain the letter had been stolen, Hoffman snapped:

"Of course, it was stolen. We don't lose things."

His next remark, when asked if he had reported the case to the FBI, was:

"No, you see, I thought at first it had just been mislaid or misfiled."

There was a pause, and Hoffman contributed:

"I reported the broken typewriter to the building custodian, however."

The congressman wouldn't hint at the letter's content, saying he didn't want to discourage the writer from sending another. He said it arrived in the mail one day and vanished that night.

Against parole of 4

"It came either special delivery or registered," Hoffman volunteered. "I remember there were extra stamps on the envelope."

Hoffman is trying to get parole revoked for Phil D'Andrea, Charles (Cherry Nose) Gioe, Louis (Little New York) Campagna and Paul (The Waiter) Ricca.

They served only one-third of 10-year terms for a $1,000,000 movie industry shakedown.

CHICAGO DAILY SUN—TIMES

May 19, 1948

3/1/95 SPSA/aw

56-2000-4

33 JUN 10 1948

LYONS, FEDERAL PAROLE BOARD HEAD, RESIGNS

Clark Names Virginian to Vacancy

BY JAMES DOHERTY
(Chicago Tribune Press Service)

Washington, May 18—Daniel Lyons, who was asked by Atty. Gen. Clark to become chairman of the federal parole board during the congressional investigation of the paroles granted to four notorious Capone gangsters, today announced his resignation. Lyons, a native of Boston, will return to his former job as government pardon attorney.

The appointment of Dr. George E. Killinger of Marion, Va., to the parole board was announced by Atty. Gen. Clark. He will be associated with the holdover members, Fred S. Rogers and B. K. Monkiewicz.

"Incensed By Action"

Rogers and Monkiewicz reported having learned what they considered was an explanation of the attitude of the former board chairman, T. Webber Wilson, in regard to the paroling of the Chicago criminals, Paul Ricca, Louis Campagna, Charles Gioe and Phil D'Andrea. They said an attorney told them of being present when Wilson learned that a federal judge in New York had cut the sentence of George Browne, former head of the International Alliance of Theatrical and Stage employes, after the parole board had refused clemency to Browne.

"Wilson was incensed that the court should take that action after the parole board had turned the men down," said Rogers.

Charges Dillon Influence

Rep. Busbey (R., Ill.), member of the investigating committee, headed by Rep. Hoffman (R., Mich.), said he believed that Wilson was influenced by Paul Dillon, the St. Louis lawyer pal of President Truman who obtained the prison term reductions for the Chicago gangsters. "Dillon, who wined and dined Wilson, according to his own admission, gave Wilson an excuse to use in paroling John P. Nick of St. Louis, who was vice president of Browne's union and, like Browne, was convicted of extortion," Busbey said.

"The New York judge did right in reducing the sentences of Browne and Bioff in return for their testimony against Ricca and the others," Busbey said.

3/11/95 SPS a/cw

CHICAGO DAILY TRIBUNE
May 19, 1948

RECORDED - 36

33 JUN 10

58-2000-1431

No true bills given in McCabe beating

No true bills in the beating of William R. McCabe, Joliet publisher, were returned when the May grand jury of Will County made its report to Circuit Judge James V. Bartley.

At the same time, however, Joliet police had in custody a man who admitted taking money from McCabe's secretary on the pretense that he could furnish names of the assailants.

McCabe, a former state's attorney of Will County, was set upon by three thugs near his Lockport home April 7, and beaten into unconsciousness. His legs and one arm were broken.

The man in custody is Lloyd Imrie, 28, of 425 Oneida St., Joliet, who has served time in Vandalia State Prison. He told officers he had called Miss Amelia Zelko, secretary to McCabe, and told her he could furnish the names of the men sought.

He collected $200, he said, but gave Miss Zelko "phony names." Later, he said, he saw her again and gave her three more names. But, he told police, all six names he furnished were taken from a detective magazine.

Imrie was held for further questioning.

3/1/95 SPSalCE

CHICAGO DAILY SUN—TIMES

May 20, 1946

ENCLOSURE

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1432

Whitewash Ends McCabe Probe

Investigation by Will county's May grand jury of the beating of William R. McCabe, 64, Joliet weekly newspeper publisher, on April 7, had vanished beneath whitewash.

The grand jury, before which State's Attorney James E. Burke said "all evidence" had been presented, adjourned without even a report on the McCabe assault.

McCabe was not called nor was he visited at St. Joseph's hospital.

Two hoodlums beat him so severely he will be crippled for life.

Nor did the grand jury, before which Burke presented the evidence", summon former Chief of Police Ernest Overbey, ousted after he attempted to close the Guzik-Ricca-Capone gambling syndicate headquarters.

The grand jury did hear Francis Curry, reputed Guzik - Ricca-Capone chief in Joliet, but it made no report on that either.

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/11/95 SP5C/CS

RECORDED & INDEXED

EX-70

THE CHICAGO AMERICAN

May 20, 1948

Mr. Rosen
Mr. McCabe
Mr. Evans

THE ATTORNEY GENERAL

June 7, 1948

Director, FBI

LOUIS CAMPAGNA, was, Etal
BRIBERY; PAROLE MATTERS
58-2 [illegible] - 1433

RECORDED - 38

For your information in connection with this case, I am enclosing herewith photostatic copies of newspaper articles published at Chicago on May 19, 20 and 23, 1948, relative to this case.

EX-70

Enclosure

51195 SPSA/ak

CAE:EDD
58-2000

RECEIVED-DIRECTOR
F.B.I.
U.S. DEPT. OF JUSTICE
JUN 7 3 00 PM '48

TIME 9:30 AM
DATE 6-8-48
BY RR

RECEIVED READING ROOM
F.B.I.
U.S. DEPT. OF JUSTICE
JUN 7 2 19 PM '48

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Gandy

JUL 2 1948

CHICAGO SUNDAY TRIBUNE
Part 1 Page 34 May 23,1948

ASK CRIME BODY FOR LOW-DOWN ON PAROLED 4

Probers Seek Statement on Gang's Reputation

BY JAMES DOHERTY
(Chicago Tribune Press Service)

Washington, May 22-The Chicago crime commission was asked today to supply congress with specific details of the reputation of the Capone gang, four members of which were given federal paroles on the asserted theory that there was hope they could be reformed. Rep. Thomas L. Owens (R.,Ill.) of Chicago's northwest side raised the question of what could be proved against the Chicago gangsters known as the syndicate.

In general discussion by members of congress it was stated that Paul Ricca, Louis Campagna, Charles Gioe, and Phil D'Andrea, were high ranking members of a gang notorious as an aggregation of murderers, white-slavers, robbers, gunmen, bootleggers, extortioners, union pirates, and operators of a gambling organization that permitted no competition. Owens, a lawyer, suggested that some proof be offered.

"Were any members of the gang ever convicted of murder?" Owens wanted to know. "It's one thing to put a label on any one, and another to prove it."

Gang Heyday Recalled

Rep. Busbey (R.,Ill.) of Chicago's southwest side, member of the congressional committee investigating reports that the paroles of Ricca, Campagna, Gioe, and D'Andrea represented a cash transaction involving $500,000 or more, suggested that the anti-crime agency in Chicago be asked to make a definite statement on the reputation of the gang of which, he said, there is no doubt the four parolees were members.

Other members of the Illinois delegation in Chicago recalled that the Capone gang has been notorious in and around Chicago for 25 years. In the days of prohibition they were known the world over as beer dealers, the leaders being called beer barons, and the murder rate in Chicago then was one a day, according to some congressmen.

The terms "taken for a ride," "put on the spot" and "muscling in," originated in Chicago in connection with the activities of the Capone beer runners, some remembered. The Capone "torpedoes" would force their victims into an automobile for a "one way ride" out into the suburbs where the competitor, or traitor, or whatever the victim was, would be shot in the head and the body thrown into a roadside ditch, it was explained.

Capone, himself, was known as a former operator of a brothel, and as the boyhood companion of panders, gamblers, gunmen, and criminals of all sorts, the congressmen agreed. Then, as Capone built up the organization that today is said to be nation-wide, he branched out and an era of kidnaping for ransom, seizure of unions, and general extortion followed, it was admitted by the congressmen.

Named As Leaders

There was little doubt about the membership of the four parolees in the gang. Ricca and Campagna were named by former Atty. Gen. Francis Biddle as the heads of it, succeeding after the death of Frank (the Enforcer) Nitti, who took over when Capone went to Alcatraz. Ricca, interestingly enough before the congressional committee, admitted having been associated with Capone. He said he took bets from Capone, and identified himself with Jack Guzik, Murray Humphries, and other top gangsters.

Campagna, according to his own income tax returns, was one of the gambling bosses of Cicero. D'Andrea had been Capone's bodyguard and was named as a former brother operator. Gioe, who had his own gambling concessions, was admittedly a handyman for the gang.

"Let's find out exactly what the reputation of the Capone gang is," several congressmen asked in a discussion with Busbey. "Then we will be in a position to demand that parole board members and others be held accountable for releasing men of such reputations."

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/1/95 BY SP5TA/CW

CHICAGO DAILY TRIBUNE
May 23, 1948

RECORDED - 38
INDEXED - 38
58-2000-1433
JUN 10 1948

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI
ATTENTION: MR. A. ROSEN

FROM : SAC, Chicago

SUBJECT: LOUIS CAMPAGNA, was; etal
BRIBERY; PAROLE MATTERS

DATE: May 26, 1948

For the information of the Bureau there is transmitted herewith a clipping from the Chicago Tribune of May 23rd, which relates to the captioned matter.

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ENTERED RECORDING

JUN 10 48

NEW BOARD MAN TO SCAN 'FACTS' OF GANG PAROLES

Hesitates to Decide on Return to Prison

BY JAMES DOHERTY
(Chicago Tribune Press Service)

Washington, May 19-Dr. George E. Killinger, newly appointed member of the United States parole board, said today he is going to study the facts pertaining to the paroles given last August to four Capone gangsters of Chicago, to determine whether the men should be returned to prison. Dr. Killinger, who is not a medical doctor but says he is a doctor of philosophy and psychology, takes the place of former Chairman Daniel Lyons, but as yet is not chairman of the board but only a member.

Lyons, who replaced T. Weber Wilson who was head of the board when Paul Ricca, Louis Campagna, Charles Gioe and Phil d'Andrea were freed, has returned to his former job as pardon attorney for the department of justice. On Monday he said he did not wish to pass on the matter of whether Ricca and the others should go back to prison, preferring to leave that decision to Fred S. Rogers and B. K. Monkiewicz, the other members of the board of three which gave the Chicago gangsters clemency in the form of freedom after 3 1/2 years had been served on 10 year sentences.

"It is not clear whether I am to be chairman," Dr. Killinger said today. "For the present we will continue as three members, with no chairman, because Monkiewicz is out of the city. When he returns we will discuss the chairmanship.

Intends To Review Paroles

"But I do intend to review all the circumstances of the paroles under investigation by the congressional committee, and to take part in any decision. But I want to see what happened."

Until his appointment Monday Dr. Killinger was chairman of the clemency and parole board of the army. During the war he held a commission as a lieutenant commander in the navy, serving in the public health service, and was assigned to the war shipping administration where he said he was responsible for establishing psychological and psychiatric service for merchant seamen.

From 1939 to 1943 he served in various capacities with the federal bureau of prisons, as director of prisons, as director of education, and associate warden.

May Be Asked For Accounting

His earlier experiences were research assistant in child behavior, psychologist and special assistant to the personnel director of TVA, director of psychiatric case work at Southwestern State hospital at Marion, Va., his home town, and as a psychologist with the public health service. He is 40 years old.

"Lyons was made chairman of the parole board last September after congress had received numerous reports that the gangsters had paid a tremendous sum for their freedom," said Rep. Busbey (R., Ill.), member of the invesitgating committee. "Lyons was in constant opposition to our inquiry and now leaves the job without acting on the information we gave him. He probably shall be asked to give an accounting to our committee."

CHICAGO DAILY TRIBUNE

May 20, 1948

3/1/95 SPSA/aw

RECORDED - 36

33 JUN1

FEDERAL BUREAU OF INVESTIGATION
UNITED STATES DEPARTMENT OF JUSTICE

CC-150

To: COMMUNICATIONS SECTION. JUNE 10, 1948 URGENT

Transmit the following message to: SAC, CHICAGO

LOUIS CAMPAGNA, WAS, ET AL, BRIBERY, PAROLE MATTERS. SUTEL STATUS OF INVESTIGATION REQUESTED BY USA JUNE FOUR AND SUBMIT DAILY TELETYPE SUMMARIES AS LONG AS ANY INVESTIGATION PENDING THIS CASE.

HOOVER

58-2000
CAE:gjb

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/1/95 BY SP5 CA/AR

RECORDED - 38

58-2000-1434

37 JUN 10 1948

EX-3

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Mr. Mease
Miss Gandy

RECEIVED REAR HOOVER
JUN 10 5 39PM
F B I
U.S. DEPT. OF JUSTICE

JUN 10 1948

TELETYPE

50 JUN 24 1948

SENT VIA _____ M Per _____

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : DML

FROM : JEM

SUBJECT: LOUIS CAMPAGNE
PAROLE MATTER

CC. Mr.Ladd
Mr.Rosen
Mr.McCabe,
Mr.Milnes,
Mr.Evans

DATE:

Time of call 11:55 PM

Pursuant to the instructions of Mr.E.J.McCabe I telephonically contacted SAC McSwain of the Chicago Division. I inquired of Mr.McSwain if he had interviewed Mr.Walters,Managing Editor of the Chicago Daily News. He said that he had just completed the interview. I then inquired if he intended to send in a teletype concerning it. He said that he was dictating a comprehensive teletype on the matter at that time and that it would be sent into the Bureau when completed.

58-2000

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/1/95 BY SP5A/CW

58-2000-1435

RECORDED - 118

F B I

31 JUN 12 1948

EX-3

51 JUN 23 1948

Federal Bureau of Investigation
United States Department of Justice

Post Office Box 812
Chicago 90, Illinois
June 1, 1948

IN REPLY, PLEASE REFER TO
FILE NO. 58-194

AIR MAIL - SPECIAL DELIVERY

Director, FBI

Attn: Assistant Director A. ROSEN

Re: LOUIS CAMPAGNA w.a.s ETAL
BRIBERY; PAROLE MATTERS

Dear Sir:

At the Office of the Clerk of Court, U. S. District Court, Northern District of Illinois, Docket No. 48CR29 regarding ANTHONY JOSEPH ACCARDO with aliases; EUGENE BERNSTEIN vs UNITED STATES, was examined and the following information taken therefrom:

February 25, 1948	Filed motion to dismiss indictment and submitted briefs for defendants BERNSTEIN and ACCARDO in support of motion to dismiss.
March 31, 1948	On motion of the Court, cause continued to April 5, 1948 for arraignment and plea before Judge LaBUY.
April 5, 1948	On motion of U. S., arraignment and plea continued to May 10, 1948. Cause removed from trial calendar. Time of U.S. to file responsive brief to defendants' brief in support of motion to dismiss extended to April 26, 1948.
April 26, 1948	Filed Government brief in answer to defendants' motion to dismiss indictment.
May 11, 1948	Leave to U.S. to file reply brief to defendants' motion to dismiss on or before May 19, 1948. Leave to defendants to reply three days thereafter. Arguments one hour per side set for June 7, 1948. Arraignment continued to June 7, 1948.

58-2008-1436

EX-138 37 JUN 10 1948

53 JUN 21

Director, FBI
June 1, 1948

RE: LOUIS CAMPAGNA w.a.s ETAL
BRIBERY; PAROLE MATTERS

May 19, 1948 — Order to extend time for Government to file its answer to defendants' reply brief continued from May 19, 1948 to May 20, 1948.

May 20, 1948 — Filed Government answer to defendants' reply brief in support of motion to dismiss.

The above is being furnished to the Bureau for their information and this office will continue to advise the Bureau of the developments in this matter.

Very truly yours,

G. R. McSWAIN
SAC

RER:OC
58-194
AMSD

FEDERAL BUREAU OF INVESTIGATION
U.S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

JUN 9 1943

TELETYPE

3/1/95 SPSC/CM
G.I.R.

CONF WASH 1 AND CG01, FROM LOS ANGELES 3 1-30 PM

DIRECTOR AND SAC CHICAGO URGENT

LOUIS CAMPAGNA, WAS, ET AL. BRIBERY--PAROLE MATTERS. REBUTEL MARCH FIFTEENTH LAST. GCD-TWENTYFOUR ADVISED NO INFORMATION YESTERDAY CONCERNING ROSELLI'S ACTIVITIES. CI AT E.L. STUDIO ADVISED JUNE FIRST LAST THAT ROSELLI NOT MOVE FROM HIS PRESENT OFFICES TO THE E.L. STUDIO LOT UNTIL THE RETURN OF BRIAN FOY FROM OAK RIDGE, WHERE FOY IS MAKING FILM RE: ARMY COUNTER INTELLIGENCE CORPS WORK ON THE ATOM BOMB. THIS INFORMANT ADDED THAT MATTY FAIN, MOVIE CHARACTER ACTOR AND A KNOWN HOODLUM WHO WAS INVESTIGATED IN THE FURDRESS CASE AND WAS ARRESTED MAY TENTH LAST BY LAPD FOR THEFT, ATTEMPTED TO CONTACT ROSELLI BY TELEPHONE ON SAME DATE MAY TENTH, AT THE E.L. STUDIO.

HOOD

ACK PLS

58-2000-1437

RECORDED - 119

29 JUN 12 1943

INDEXED - 119

55 JUN 24 1943

FX-36

EIGHTIETH CONGRESS
CLARE E. HOFFMAN, MICH., CHAIRMAN
GEORGE F. BENDER, OHIO
WALTER H. JUDD, MINN.
ROBERT F. RICH, PA.
HENRY J. LATHAM, N. Y.
JAMES W. WADSWORTH, N. Y.
FOREST A. HARNESS, IND.
CLARENCE J. BROWN, OHIO
ROSS RIZLEY, OKLA.
J. EDGAR CHENOWETH, COLO.
FRED E. BUSBEY, ILL.
MELVIN C. SNYDER, W. VA.
CALEB BOGGS, DEL.
R. WALTER RIEHLMAN N. Y.
RALPH HARVEY, IND.

House of Representatives

COMMITTEE ON

EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Washington, D. C.

CARTER MANASCO, ALA.
JOHN W. MCCORMACK, MASS.
WILLIAM L. DAWSON, ILL.
JOHN J. DELANEY, N. Y.
CHET HOLIFIELD, CALIF.
HENDERSON LANHAM, GA.
W. J. BRYAN DORN, S. C.
PORTER HARDY, JR., VA.
FRANK M. KARSTEN, MO.
J. FRANK WILSON, TEX.

HELEN M. BOYER, CLERK

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

June 9, 1948

Honorable Tom C. Clark
Attorney General

Honorable J. Edgar Hoover
Director
Federal Bureau of Investigation

Washington 25, D. C.

Gentlemen:

Enclosed herewith is a copy of a letter received from the Honorable Fred E. Busbey, a member of the subcommittee of the Committee on Expenditures in the Executive Departments.

As you are aware, the subcommittee is investigating the adequacy or inadequacy of the law having to do with the granting of paroles to Phil D'Andrea, Charles Gioe, Louis Campagna, and Paul Ricca. It is also inquiring as to the activities of the Department of Justice and the Federal Bureau of Investigation in connection with the granting of the paroles.

Complying with the request of Mr. Busbey, I am asking you to designate a day and time when it will be convenient to comply with his request.

DEFERRED RECORDING HELD BY CRIME REC. DESK

It is my hope that, by one more meeting of the subcommittee, we will be able to end at least this phase of the investigation.

RECORDED - 141 58-2000-1438

An early reply will be greatly appreciated.

INDEXED - 141 3 JUN 15 1948

Respectfully yours,

CRIME REC. DESK

Clare Hoffman

Chairman

Encl.

ENCL

141

RECORDED - 141

INDEXED - 141

June 14, 1948

PERSONAL AND ~~CONFIDENTIAL~~

Honorable Clare E. Hoffman
House of Representatives
Washington, D. C.

My dear Congressman:

I wanted to advise you that immediately upon receiving your letter of June 9, 1948, together with its enclosure, consisting of a letter addressed to you under the same date by Congressman Busbey, I, in accord with Departmental procedure, brought the contents of these letters to The Attorney General's attention. I requested to be advised what action should be taken by me in connection with this situation and, as soon as The Attorney General advises me of the course of action to be followed by me, I will notify you immediately.

With expressions of my highest esteem and best regards,

Sincerely yours,

J. Edgar Hoover

EAT:FA/EAT:DMG

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Gandy

COMMUNICATIONS SECTION
MAILED 3
JUN 14 1948 P.M.
FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

RECEIVED-DIRECTOR
F B I
U.S. DEPT. OF JUSTICE
JUN 14 6 06 PM '48

COPY

80TIETH CONGRESS
CLARE E. HOFFMAN, MICH., CHAIRMAN
GEORGE F. BENDER, OHIO
WALTER H. JUDD, MINN.
ROBERT F. RICH, PA.
HENRY J. LATHAM, N.Y.
JAMES W. WADSWORTH, N.Y.
FOREST A. HARNESS, IND.
CLARENCE J. BROWN, OHIO
ROSS RIZLEY, OKLA.
J. EDGAR CHENOWETH, COLO.
FRED E. BUSBEY, ILL.
MELVIN C. SNYDER, W. VA.
J. CALEB BOGGS, DEL.
R. WALTER RIEHLMAN N.Y.
RALPH HARVEY, IND.

House of Representatives

COMMITTEE ON
EXPENDITURES IN THE EXECUTIVE DEPARTMENTS
Washington, D.C.

CARTER MANASCO, ALA.
JOHN W. MC CORMACK, MASS.
WILLIAM L. DAWSON, ILL.
JOHN J. DELANEY, N.Y.
CHET HOLIFIELD, CALIF.
HENDERSON LANHAM, GA.
W. J. BRYAN DORN, S.C.
PORTER HARDY, JR., VA.
FRANK M. KARSTEN, MO.
J. FRANK WILSON, TEX.

HELEN M. BOYER, CLERK

June 9, 1948

Honorable Clare Hoffman
Chairman
Parole Investigation Committee
House of Representatives
Washington, D. C.

ALL FBI INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/1/95 BY SP2 alm

Dear Clare:

I respectfully request that Mr. Tom C. Clark, United States Attorney General, and Mr. J. Edgar Hoover, Director of the Federal Bureau of Investigation, be called before our committee. In all probability they will have to rely on certain assistants for details and I, therefore, suggest that at the time they are invited to appear that they bring with them any and all subordinates who are familiar with the paroles of Messrs. D'Andrea, Goie, Campagna, and D'Lucia, and all files pertaining to the investigation in order that they will have them available for answers to any questions the committee might desire to direct to them.

In addition, I respectfully request that the following people be subpoened before our committee for examination:

Mr. Earl J. Welch
Mr. Ned Bates
Mr. Fortune Gallo
Mr. Howard Dailey
Mr. Murray Humphreys
Mrs. Mae Belcher
Mr. Nash Adams

Very truly yours,

/s/ Fred E. Busbey

Fred E. Busbey, M.C.

62 JUL 10 1948

ENCLOSURE

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : THE DIRECTOR

DATE: June 12, 1948

FROM : E. A. TAMM

SUBJECT:

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/11/95 BY SP5A/CW

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Coffey
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Beahn
Miss Gandy

At 10:55 a.m., on June 12, 1948, I talked to Mr. Peyton Ford by telephone. I advised him of the receipt in the Bureau of the letter dated June 9, 1948, addressed to you by Congressman Hoffman, together with the enclosure, consisting of a letter addressed to Congressman Hoffman by Congressman Busbey.

I told Mr. Ford that you desired to be immediately advised of what action the Bureau should take in this matter since we desired to proceed in accord with the Attorney General's desires and instructions, and without any delay.

Mr. Ford stated that there was absolutely nothing which the Bureau should do in this matter at the present time. He stated that the Attorney General had received copies of the same letters, and that Mr. Peyton Ford had drafted a reply to them, which reply covered not only the Attorney General, but also you and the Bureau. Mr. Ford, however, stated that he was drafting this reply in collaboration with Congressman Snyder of West Virginia, and Congressman Hardy of Virginia, both of whom are members of the Subcommittee which has been conducting the inquiries in the Campagna Case. Mr. Ford stated that Congressmen Snyder and Hardy had suggested certain changes in the phraseology of the proposed letter to Congressman Hoffman, which Mr. Ford would have incorporated in a new draft of a letter on Monday, June 14, 1948. Mr. Ford stated that Congressmen Snyder and Hardy had agreed that upon receipt of the Attorney General's letter to the Committee, which letter, as indicated, has been worded in accord with the desires of Snyder and Hardy, these two Congressmen will immediately write letters to the Chairman of the Committee protesting against Busbey's conduct in this matter, pointing out that the Attorney General has already appeared before the Committee and stating that both Snyder and Hardy will refuse to attend any meeting of the Subcommittee. According to Mr. Ford, this action will prevent the Subcommittee from holding a meeting because of a lack of a quorum and nothing more will come of the matter.

I inquired again of Mr. Ford whether there was anything which the Bureau should do at this time, and he stated that there was not and that the Department would handle the matter in its entirety.

(See Next Page)

cc - Mr. Rosen

EAT:FA

JUN 29 1948

RECORDED - 141
INDEXED - 141

58-2000-1439

FBI
JUN 15 1948

CRIME REC.

ADDENDUM
6/14/48
EAT:FA

I have called Mr. Ford's Office on several occasions today in an effort to determine from him the status of this matter. His Secretary has advised me that she will have him call me, and on the occasion of the last call at approximately 5:00 p.m., she stated that Mr. Ford had just returned "from court" and was "tied up with the Attorney General". She assured me that Mr. Ford would call me as soon as he is free.

It would appear under the circumstances that we should forward the attached letter to Congressman Hoffman.

E. A. Tamm

Attachment

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. Rosen

DATE: June 8, 1948

FROM : C. A. Evans

SUBJECT: LOUIS CAMPAGNA, was., et al.
BRIBERY; PAROLE MATTERS

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/1/95 BY SP5A/ps

Mr. Tolson
Mr. D. M. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Holmes
Miss Gandy

The following information is set forth with reference to the technical surveillances instituted in this case. By memorandum dated November 28, 1947 Mr. Peyton Ford, The Assistant to the Attorney General, requested that technical surveillances be instituted on the five subjects of this case and the following individuals:

Joe Corngold, 5914 West Cermak Road, Cicero, Illinois, bookmaker and tavern owner;

Joe Fusco, 707 West Harrison Street, Chicago, Illinois, liquor company executive who has associated with subjects;

Jack Guzik, 7240 South Luella Avenue, Chicago, Illinois, reported successor to Al Capone as czar of gambling in Chicago;

Francis J. Curry, 516 Western Avenue, Joliet, Illinois, reported gambler and racketeer;

Anthony (Joe) Accardo, 1431 Ashland Avenue, River Forest, Illinois, Chicago hoodlum frequently described as a leader in the underworld;

Tony Ricci (Gobel), 125 Ocean Parkway, Brooklyn, New York, reputed New York racketeer;

Edward J. Parise, 662 - 39th Street, Brooklyn, New York, former Brooklyn, New York, tavern owner and known associate of underworld characters;

Hope Harris, 101 Cooper Street, New York City, who is regarded as a "kept" woman and whose telephone was called by Francis Curry on October 11, 1947.

Previous to this memorandum a telephonic request was received from Mr. Ford on November 26 for technical surveillances to be installed on the five subjects and Tony Ricci. On December 1, 1947 a memorandum was sent to Mr. Ford advising him that pursuant to his oral request the Bureau would endeavor to institute technical surveillances on the five subjects and Tony Ricci. It

CAE:JEH
58-2000

52 JUN 24 1948

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INDEXED - 39
37 JUN 16 1948

was pointed out to Mr. Ford, however, that the Bureau knew no reason to require or justify technical surveillances on the other individuals and requested advice if they should be installed. By memorandum dated December 8, 1947 Mr. Ford advised that all of the technicals should be installed. By memorandum dated December 8, 1947 Mr. Ford was advised that technical conditions made a surveillance on subject Roselli impossible. By memorandum dated December 26 Mr. Ford was advised that because of technical conditions no surveillance could be instituted on Edward J. Parise. It was noted, however, that Parise was a silent partner in the Toll Gate Tavern in Brooklyn, New York, and advice was requested as to whether a technical surveillance should be instituted on the public telephone in this tavern. By memorandum dated January 12, 1948 Mr. Ford advised that a surveillance should be placed on the Toll Gate Tavern. On January 23 by memorandum Mr. Ford was advised that technical conditions had arisen since the Bureau's previous memorandum which made a technical surveillance on the Toll Gate Tavern impossible at that time.

By memorandum dated February 2, 1948 Mr. Ford was advised that the Bureau had exhausted all possibilities for obtaining adequate security for the purpose of installing all of the technical surveillances requested with the exception of the following. These are described as to symbol number, telephone number covered and date of installation, although, of course, Mr. Ford was not given these identifying details:

GONE INFT			
Tony Ricci	NYT 466	Gedney 61179	12/5/47
Paul DeLucia	CGO 5680	Forest 2105	12/5/47
Louis Campagna	CGO 5681	Stanley 3417	12/5/47
Charles Gioe	CGO 5682	Superior 9736	12/9/47
Hope Farris	NYT 471	Lorraine 7-4505	12/24/47
Anthony Accardo	CGO 5683	Estebrook 7205	1/6/48
Joe Fusco	CGO 5684	Wabash 0727	1/8/48

When a leased line became available, making possible a surveillance on the Toll Gate Tavern, Mr. Ford was advised that the surveillance could be instituted. He replied by memorandum dated April 1, 1948 that the surveillance was not desired.

When investigation relative to the current activities of subject Roselli was requested by the Attorney General it was pointed out to him by memorandum dated March 17, 1948 that technical coverage could not be effected on Roselli. It was noted that Roselli was closely associated with Jack Dragna, a Los Angeles hoodlum, and a request was made as to whether technical coverage should be effected on Dragna. This memorandum was returned March 26 with a notation that the technical surveillance on Dragna was approved. Technical difficulties were encountered in attempting to institute this surveillance. It has now been determined that this surveillance can not be instituted in the foreseeable future, and the Attorney General is being so advised.

Just what technicals are now in operation in this case? H.

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : THE DIRECTOR

FROM : E. A. TAMM

DATE: June 9, 1948

SUBJECT: LOUIS CAMPAGNA, was., et al
BRIBERY; PAROLE MATTERS

Mr. Clegg
Mr. Coffey
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Beahn
Miss Gandy

With reference to your inquiry as to the technical surveillances which are in operation in the Louis Campagna case at the present time, you are advised that the following taps are maintained, having been installed on the dates indicated:

CONF. INFT. Tony Ricci	NYT 466	Gedney 61179	12/5/47
Paul DeLucia	CGO 5680	Forest 2105	12/5/47
Louis Campagna	CGO 5681	Stanley 3417	12/5/47
Charles Gioe	CGO 5682	Superior 9736	12/9/47
Hope Farris	NYT 471	Lorraine 7-4505	12/24/47
Anthony Accardo	CGO 5683	Estebrook 7205	1/6/48
Joe Fusco	CGO 5684	Wabash 0727	1/8/48 — Now off 6/21

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cc - Mr. Rosen

EAT:FA

Have they been productive? If not submit to A.G. & inquire whether they should be continued.

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memo mr Tamm 6-11-48 case
memo to Peyton Ford 6-17-48 Case

RECORDED - 39 158-2000-1441 FBI

INDEXED - 39 37 JUN 16 1948

52 JUN 24 1948

Mr. Peyton Ford,
The Assistant to the Attorney General

June 12, 1943

Director, FBI

62-1442
LOUIS CAMPAGNA, was, et al
BRIBERY; PAROLE MATTERS

Reference is made to your memorandum dated April 19, 1943, advising that it was deemed advisable to continue the technical surveillances in this case which were originally installed at your request.

As you will note in the copies of the memoranda furnished to you weekly incorporating the results secured from these surveillances, it appears that little information of value is being received. In view of the expense and utilization of manpower involved in maintaining these surveillances, it is desired that you advise if their continuance is still desired.

58-2000
CAE:gjb

COMMUNICATIONS SECTION
MAILED 12
JUN 12 1943 P.M.
FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Gandy

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

TO : MR. E. A. TAMM

DATE: June 11, 1948

FROM : A. ROSEN

SUBJECT: LOUIS CAMPAGNA, was., et al
BRIBERY; PAROLE MATTERS

With reference to the productiveness of the technical surveillances in operation in this case, it is observed that the Bureau is not in a position to evaluate adequately and fully the information received. This is true because the Department did not furnish any basis to justify or require the technical surveillances when requesting them. It would appear that possibly these surveillances were requested on the basis of information developed in the Grand Jury evidence in this case in Chicago, which has not been made available to the Bureau. Consequently no attempt was made to evaluate the information and blind memoranda incorporating the results from these surveillances were furnished to the Department and, at the specific request of Mr. Peyton Ford, to the USA in Chicago.

Despite these limitations, it was observed that the subjects on whom technical surveillances were in operation were most guarded in their conversations, made obvious references indicating that pertinent calls were being made from outside telephones and that the technicals produced little, if any, information of apparent value. It was accordingly suggested to the Department in the Bureau's memorandum of April 12, 1948, that the discontinuance of these technical surveillances be considered. By memorandum dated April 19, 1948, the Department advised that it was deemed advisable to continue the technical surveillances.

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FBI
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JUN 18 1948

58-2000
CAE:gjb

RECORDED - 39 158-2000-1442
FBI
37 JUN 16 1948

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : MR. E. A. TAMM

DATE: 6-4-48

FROM : A. Rosen

Call: 3:05 PM

SUBJECT: LOUIS CAMPAGNA, was, etal
BRIBERY; PAROLE MATTERS

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mendon
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Holmes
Miss Gandy

ASAC R. Hosteny of the Chicago Office advised that the conference with USA Kerner was concluded approximately an hour ago, and the results are presently being assembled for transmittal to the Bureau.

The following instructions were given to Mr. Hosteny. He was advised that Mr. McSwain should call upon USA Kerner and tell him to "put up or shut up" as to anything which has not been done or which has been inadequately done. Mr. McSwain should point out to Kerner that we have been following out only the leads which have been referred to us; that we have not been fully advised as to the information developed by the Grand Jury; and that the Bureau, in view of Kerner's present criticism, cannot continue to be half in and half out of the case. Kerner should be advised by Mr. McSwain that either the Bureau is to be fully informed of the developments and conduct all investigation that the Bureau believes necessary in addition to any leads which Kerner can suggest, or we will have to withdraw from the case entirely.

Mr. Hosteny was instructed to submit the results of the conference which was held today with Kerner immediately, and he said this would be done. He was also instructed to give the above message to Mr. McSwain, and if there were any questions, Mr. McSwain should communicate with me. Mr. Hosteny said this would also be done.

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AR:lg:fe

RECORDED & INDEXED 58-2000-1443

FBI JUN 12 1948

50 JUN 22 1948

The Attorney General

June 15, 1948

Director, FBI

LOUIS CARRIGER, with aliases, et al
ESPIONAGE; FALSE PATTERNS

I am enclosing herewith for your information in this case a report prepared by Special Agent Frederick E. Roderick at Los Angeles dated June 12, 1948.

In response to a telephonic request from Mr. Peyton Ford, two copies of a report prepared by Special Agent Robert E. Nightmeyer at Chicago dated June 12, 1948 were forwarded to Mr. Ford by special messenger yesterday.

Enclosure

CAR:LMP
58-2000

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/1/95 BY SP5 C/CA

SENT FROM D. O.
TIME 10:10 A.M.
DATE 6-16-48
BY

JUN 15 6 34 PM '48
RECEIVED READING ROOM
F B I
U. S. DEPT. OF JUSTICE

RECORDED - 41 58-2000-1444
32 JUN 17 1948

JUN 22 1948

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : THE DIRECTOR

DATE: June 9, 1948

FROM : Mr. E. A. Tamm

SUBJECT:

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Beahn
Miss Gandy

Mr. Peyton Ford telephoned at 12:50 PM to advise that he and Mr. Kerner had appeared before Congressman Hoffman's Committee this morning and that they had "gone at it hot and heavy. The ultimate outcome was that the Department agreed to advise Congressman Busbey in Chicago of the identity of some of the people that had been interviewed during the course of this investigation. Busbey is going to Chicago and United States Attorney Kerner there is going to confer with him and make these names available.

During the course of the conference, Congressman Busbey demanded that the Attorney General appear before the Committee and wanted to leave the Committee Hearing in order to write a letter to Clark setting forth his demands that he appear. Ford stated that it was unnecessary to write a letter and he would arrange to have the Attorney General come to the hearing immediately. Tom Clark went up to the Committee but Busbey refused to come back into the Committee room while Clark was there.

Ford stated that he believes that Busbey will insist on issuing a subpoena for the appearance of the Attorney General and yourself at a Committee meeting next week. Ford stated, however, that Congressman Snyder and Congressman Hardy had told Ford that they would refuse to attend any such meeting called by Busbey and would raise a point of order as to the absence of a quorum, thereby preventing Busbey from holding a hearing next week.

I inquired of Ford whether there was anything the Bureau was expected to do or to prepare for at this time and he stated that there was not.

RECORDED - 41 158-2000-1445

FBI

10 JUN 17 1948

cc - Mr. Rosen

EAT:edm

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make certain Mr Swain is advised of developments but he should not participate in any conference with Kerner & Busbey. Kerner can tell all information he has -